

2011/12 Key Superannuation Rates and Thresholds

These are the key rates and thresholds that apply in relation to superannuation contributions and benefits, superannuation guarantee and co-contributions.

CONTRIBUTION CAPS

Concessional contributions cap

Concessional contributions include employer contributions (including contributions made under a salary sacrifice arrangement) and personal contributions claimed as a tax deduction by a self-employed person.

Income year	Amount of cap
2011-12	\$25,000
2010-11	\$25,000
2009-10	\$25,000

In accordance with section 960-285 of the *Income Tax Assessment Act 1997* (ITAA 1997), the concessional contributions cap is indexed in line with AWOTE, in increments of \$5,000 (rounded down).

Transitional arrangement for the concessional contributions cap

A transitional concessional contributions cap applies until 30 June 2012 for people aged 50 or over. If you are aged 50 or over the annual cap will be \$50,000. If you have more than one fund, all concessional contributions made to all your funds are added together and count towards the cap.

As part of the 2011 budget announcements, The Government has reconfirmed their intention to replace this from 1 July 2012, with a concessional contributions cap of \$50,000, provided the individual is aged 50 or over and has less than \$500,000 in superannuation. Unlike the current transitional cap which is fixed at \$50,000, the new cap will increase over time, remaining \$25,000 higher than the standard concessional contributions cap for those under 50 years of age.

Non-concessional contributions cap

Non-concessional contributions include personal contributions for which you do not claim an income tax deduction. In future, the non-concessional cap will be six times the indexed concessional cap.

Income year	Amount of cap
2011-12	\$150,000
2010-11	\$150,000
2009-10	\$150,000

(Note the 'bring-forward' option available, meaning that people under 65 years of age can make non-concessional contributions of up to \$450,000 over a three-year period.)

Note: In accordance with subsection 292-85(2) of the ITAA 1997, the non-concessional cap for an income year is three times the concessional contributions cap.

CGT cap amount

Under the CGT cap, you can only exclude up to the CGT cap amount in non-concessional super contributions from the non-concessional contributions cap during your lifetime. The CGT cap applies to all excluded CGT contributions, whether they were made between 10 May 2006 and 30 June 2007 or after 30 June 2007.

Income year	Amount
2011-12	\$1.205 million
2010-11	\$1.155 million
2009-10	\$1.1 million

Note: In accordance with section 960-285 of the ITAA 1997, the CGT cap amount is indexed in line with AWOTE, in increments of \$5,000 (rounded down).

SUPERANNUATION BENEFITS

Low rate cap amount

The application of the low rate threshold for superannuation lump sum payments is capped. The low rate cap amount is reduced by any amount previously applied to the low rate threshold.

Income year	Cap amount
2011-12	\$165,000
2010-11	\$160,000
2009-10	\$150,000

Note: In accordance with section 960-285 of the ITAA 1997, the low rate cap amount is indexed in line with AWOTE, in increments of \$5,000 (rounded down).

Untaxed plan cap amount

The untaxed plan cap amount limits the concessional tax treatment of benefits that have not been subject to contributions tax in a superannuation fund. The untaxed plan cap amount applies to each superannuation plan from which a person receives superannuation lump sum member benefits.

Income year	amount
2011-12	\$1.205 million
2010-11	\$1.155 million
2009-10	\$1.1 million

Note: In accordance with section 960-285 of the ITAA 1997, the untaxed plan cap amount is indexed in line with AWOTE, in increments of \$5,000 (rounded down).

Minimum annual payments for superannuation income streams

Once you start a pension on or after 1 July 2007, a minimum amount is required to be paid each year. There is no maximum amount other than the balance of your super account.

The Government will phase out the pension drawdown relief that has been provided over the last three years. Minimum payment amounts for account-based, allocated and market linked pensions will be reduced by 25% for 2011-12 and will return to normal in 2012-13

The following table shows minimum percentage factor for each age group:

Age	Percentage of account Balance		
	2010/2011	2011/2012	2012/2013
Under 65	2.00%	3.00%	4.00%
65-74	2.50%	3.75%	5.00%
75-79	3.00%	4.50%	6.00%
80-84	3.50%	5.25%	7.00%
85-89	4.50%	6.75%	9.00%
90-94	5.50%	8.25%	11.00%
95 or more	7.00%	10.50%	14.00%

* The reduction in the minimum payment amounts for the year 1 July 2010 to 30 June 2011 applies to account-based annuities and pensions, allocated annuities and pensions, and market-linked annuities and pensions.

Preservation Age

Generally, you must reach preservation age before you can access your super. Use the following table to work out your preservation age.

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
From 1 July 1964	60

Super Lump Sum Tax Table

Income component derived in the income year	Age at the date payment is received	Amount subject to Tax	Maximum rate of Tax (including Medicare levy)
Member benefit – taxable component – taxed element	Under preservation age	Whole amount	21.5%
	At or above preservation age and under 60	Amount up to the low rate cap amount	Nil
		Amount above the low rate cap amount	16.5%
	Aged 60 and above	Whole amount	Nil
Member benefit – taxable component – untaxed element	Under preservation age	Amount up to untaxed plan cap amount	31.5%
		Amount above untaxed plan cap amount	46.5%
	At or above preservation age and under 60	Amount up to the low rate cap amount	16.5%
		Amount above the low rate cap amount and up to the untaxed plan cap amount	31.5%
		Amount above the untaxed plan cap amount	46.5%
	Aged 60 and above	Amount up to the untaxed plan cap amount	16.5%
		Amount above the untaxed plan cap amount	46.5%
	Death benefit lump sum benefit paid to non-dependants – taxable component – taxed element	Any	Whole Amount
Death benefit lump sum benefit paid to non-dependants – taxable component – untaxed element	Any	Whole Amount	31.5%
Death benefit lump sum benefit paid to dependants – taxable component – taxed and untaxed elements	Any	None	Nil
Rollover superannuation benefits – taxable component – taxed element	Any	Whole Amount	Nil
Rollover superannuation benefits – taxable component – untaxed element	Any	Amount up to the untaxed plan cap amount	Nil
		Amount above the untaxed plan cap amount	46.5%
Superannuation lump sum benefits less than \$200	Any	None	Nil

Super Income Stream Tax Tables

Taxed Element in the fund of a superannuation income stream

The table below summarises the taxation of a superannuation income stream paid with a **taxed element in the fund** in **2011/12**.

The tax free component is not included. This component is not assessable income and not exempt income in all cases.

Age of recipient	Income stream
Age 60 and over	Not assessable, not exempt income
At or above preservation age and under 60	Taxed at marginal tax rates Tax offset of 15% is available
Under preservation age	Taxed at marginal tax rates, with no tax offset Tax offset of 15% is available if a disability superannuation benefit

Note: Medicare levy (1.5%) is added to whichever rate of tax applies.

Untaxed Element in the fund of a superannuation income stream

The table below summarises the taxation of a superannuation member income stream paid with an **untaxed element in the fund** in **2011/12**.

The tax free component is not included. This component is not assessable income and not exempt income in all cases.

Age of recipient	Income stream
Age 60 and over	Taxed at marginal rates, with a 10% tax offset
At or above preservation age and under 60	Taxed at marginal rates, with no tax offset
Under preservation age	Taxed at marginal rates, with no tax offset

Note: Medicare levy (1.5%) is added to whichever rate of tax applies.

SUPERANNUATION GUARANTEE

The superannuation guarantee charge percentage (%)

The superannuation guarantee requires employers to provide sufficient superannuation support for their employees. You are obliged to contribute a minimum of 9% of an eligible employee's earnings base to a complying superannuation fund or retirement savings account (RSA). Your contributions need to be made at least every quarter (that is, every three months).

The charge percentage is set out in the law. For 2002–03 and subsequent years, the rate is **9% of each employee's earnings base**.

Maximum superannuation contribution base

The maximum superannuation contribution base is used to determine the maximum limit on any individual employee's earnings base for each quarter of any financial year. You do not have to provide the minimum support for the part of earnings above this limit.

Income year	Per quarter
2010-11	\$42,220
2009-10	\$40,170
2008-09	\$38,180
2007-08	\$36,470
2006-07	\$35,240
2005-06	\$33,720
2004-05	\$32,180
2003-04	\$30,560
2002-03	\$29,220
2001-02	\$27,510
2000-01	\$26,300
1999-2000	\$25,240
1998-99	\$24,480
1997-98	\$23,630
1996-97	\$22,590
1995-96	\$21,720
1994-95	\$20,780
1993-94	\$20,160
1992-93	\$20,000

Note: In accordance with section 9 of the *Superannuation Guarantee (Administration) Act 1992*, the maximum superannuation contributions base is indexed in line with AWOTE each income year.

SUPER CO-CONTRIBUTION

The Super Co-contribution is a helping hand from the Australian Government to assist eligible individuals to save for their retirement. If you are eligible and make personal super contributions, the government will match your contribution with a Super Co-contribution up to certain limits.

Co-contribution income thresholds

Year	Lower Income Threshold	Higher Income Threshold
2010-11	\$31,920	\$61,920
2009-10	\$31,920	\$61,920

2008-09	\$30,342	\$60,342
2007-08	\$28,980	\$58,980
2006-07	\$28,000	\$58,000
2005-06	\$28,000	\$58,000
2004-05	\$28,000	\$58,000
2003-04	\$27,500	\$40,000

Contributions made from 1 July 2010

In the 2010-11 Federal Budget, the government announced that the matching rate for the super co-contribution will be maintained at 100%. This means that the maximum co-contribution that is payable on an individual's eligible personal non-concessional super contributions will remain at \$1,000. The super co-contribution income thresholds of \$31,920 and \$61,920 (between which the maximum co-contribution phases down) will also be frozen for the 2010-11 and 2011-12 years.

Contributions made from 1 July 2009 to 30 June 2010

	If your personal super contribution is:			
	\$1,000	\$800	\$500	\$200
And your income is:	Your super co-contribution will be:			
\$31,920 or less	\$1,000	\$800	\$500	\$200
\$34,921	\$900	\$800	\$500	\$200
\$37,921	\$800	\$800	\$500	\$200
\$40,921	\$700	\$700	\$500	\$200
\$43,922	\$600	\$600	\$500	\$200
\$46,922	\$500	\$500	\$500	\$200
\$49,922	\$400	\$400	\$400	\$200
\$52,922	\$300	\$300	\$300	\$200
\$55,923	\$200	\$200	\$200	\$200
\$58,923	\$100	\$100	\$100	\$100
\$61,920	\$0	\$0	\$0	\$0

Contributions made from 1 July 2008 to 30 June 2009

	If your personal super contribution is:			
	\$1,000	\$800	\$500	\$200
And your income is:	Your super co-contribution will be:			
\$30,342 or less	\$1,500	\$1,200	\$750	\$300
\$32,342	\$1,400	\$1,200	\$750	\$300
\$34,342	\$1,300	\$1,200	\$750	\$300
\$36,342	\$1,200	\$1,200	\$750	\$300
\$38,342	\$1,100	\$1,100	\$750	\$300
\$40,342	\$1,000	\$1,000	\$750	\$300

\$42,342	\$900	\$900	\$750	\$300
\$44,342	\$800	\$800	\$750	\$300
\$46,342	\$700	\$700	\$700	\$300
\$48,342	\$600	\$600	\$600	\$300
\$50,342	\$500	\$500	\$500	\$300
\$52,342	\$400	\$400	\$400	\$300
\$54,342	\$300	\$300	\$300	\$300
\$56,342	\$200	\$200	\$200	\$200
\$58,342	\$100	\$100	\$100	\$100
\$60,342	\$0	\$0	\$0	\$0