

Super facts on spouse contributions

TelstraSuper

The Government offers incentives to reward super fund members for making contributions to their partner's super account.

The benefits of contributing to your partner's super

Contribute to your partner's financial future and the Government may reward you with a tax break of up to \$540.

If your partner doesn't work on a regular basis, it's likely that only one of you is contributing towards your retirement savings. Besides the satisfaction of setting up a financial future with your partner, here are some more reasons you may both benefit from saving for your retirement together.

Get a tax offset of up to \$540

You may be able to claim a tax offset on the super contribution you make on behalf of your eligible* partner.

If you make a post-tax contribution into your spouse's account, you may be able to claim an 18% tax offset up to \$540 each year, provided your partner earns under \$10,800 (including assessable income and reportable fringe benefits) per year.

A partial rebate is available if your partner's income is over \$10,800 but not greater than \$13,800 a year.

Telstra Super Financial Planning Pty Ltd provides expert financial planning advice to Telstra Super members at no additional cost. To make an appointment to see a financial planner:

- call **1300 033 166** from 8.00am to 5.30pm (Melbourne time) Monday to Friday
- send an email to: appointments@telstrasuper.com.au

* Your partner must be under 65 years of age and currently living with you on a bona fide domestic basis as your husband, wife or defacto. Current government legislation excludes same sex couples. If your partner is aged between 65 and 70 they must also be gainfully employed on at least a part-time basis.

How to calculate your tax offset

If your partner earns under \$10,800 you may claim a tax offset of 18% on the first \$3,000 of spouse contributions you make to their super account.

If your partner earns between \$10,800 and \$13,800 per year, the offset works on a sliding scale. The maximum contribution you can claim as a tax offset decreases \$1 for every \$1 extra that your partner earns.

Visit our website at www.telstrasuper.com.au and use the Spouse tax offset calculator to explore the possible tax offset for your contribution, or see the example below.

Example

Judy works part-time and earns \$12,000 assessable income and reportable fringe benefits per year.

Judy's partner, Bob, decides to contribute \$3,000 towards her super.

He works out that the maximum amount he can claim as a tax offset is:

$$= (\$13,800 - \$12,000) \times 18\%$$

$$= \$324$$

The maximum contribution needed to claim this offset is:

$$= \$324 \div 18\%$$

$$= \$1,800$$

Therefore Bob has contributed enough to claim a tax offset of \$324.

How to contribute and be eligible for a \$540 tax offset

Contributions can be made by cheque, BPAY® or via payroll deduction (for participating employers):

Cheque

Complete Section 2 of the Member and Spouse Contribution form - Telstra Super Personal Plus and send it with your cheque to:

Telstra Super Pty Ltd
PO Box 14309
Melbourne Vic 8001

To obtain a form call us on **1300 033 166** or visit www.telstrasuper.com.au

BPAY

Use our online BPAY number generator at www.telstrasuper.com.au to obtain the relevant payment reference numbers for your BPAY contribution.

If you intend to claim a tax offset for contributions made to your spouse's superannuation account:

- you must make contributions directly to your spouse's account
- your spouse's assessable income plus reportable fringe benefits amount must be less than \$13,800 in a year of income, and
- you must both be residents (for Australian tax purposes) at the time you make those contributions.

Once you have made a contribution into your spouse's account you can then claim the tax offset through your annual tax return.

Please note that if you split contributions from your super to your partner's super they do not qualify for the tax offset. Similarly spouse contributions do not qualify for the Government co-contribution.

This information is general advice only and does not take into account your individual objectives, financial situation or needs. Before acting on any advice you should assess whether it is appropriate for you and consider talking to a financial adviser. Before making any decision about acquiring any product, you should obtain and review its product disclosure statement, available at www.telstrasuper.com.au or by calling 1300 033 166.

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Call

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