

# Super facts on co-contributions

TelstraSuper 

Co-contributions is a Government initiative aimed to help you save for your retirement. The Government will make a co-contribution for eligible members who earn less than \$61,920 per year and make personal contributions to their super.

## Benefits of co-contributions

The Government co-contribution scheme is one of the easiest ways to boost your super savings.

The earlier you start making extra contributions to your super, the more benefit you stand to gain. By taking advantage of co-contributions, not only could you get \$1 extra for every \$1 you contribute, you also get the benefits of compounding investment returns over a longer period of time.

### The early bird gets the worm

Did you know that each dollar contributed to your super in your twenties is worth about eight dollars contributed in your fifties?

## Who is eligible?

You must meet the following requirements to receive the Government co-contribution:

- make personal contributions to your super from your post-tax income
- earn a total income of less than \$61,920 a year pre-tax (total income is assessable income plus reportable fringe benefits and reportable employer superannuation contributions)
- be employed full-time, part-time or casually
- earn a minimum 10% of income from an employer and/or running a business if self-employed
- must be less than 71 years of age at 30 June of the financial year in which the contribution is made
- must not be a temporary resident anytime in the year the contribution is made.

## Income calculation

Your total income calculation for Government co-contribution purposes is comprised of your assessable income including any reportable employer superannuation contributions\* and reportable fringe benefits, minus deductions as a result of running a business (for the self-employed only).



Use our online Government co-contribution calculator to work out what you may be eligible for.

## Earning less than \$31,920?

If you earn \$31,920 pa or less, the Government will match each dollar of your personal contribution with \$1, up to a maximum of \$1,000 each financial year. By putting money into super and taking advantage of the co-contribution scheme, your contribution doubles.

### Example

John earns \$21,000 pa working part-time. In the current financial year he has contributed a total of \$1,000 to his Telstra Super account from his post-tax income. At the end of this financial year, once John has lodged his income tax return, he may be eligible for a super co-contribution of \$1,000 from the Government.

## Earning between \$31,920 and \$61,920?

The Government co-contribution works on a sliding scale. The maximum co-contribution amount that you can receive decreases by 3.333 cents for every \$1 you earn over \$31,920 gradually reducing to zero once you earn \$61,920.

You can calculate your maximum co-contribution amount by using the following formula:

$$\$1,000 - [(annual\ income - \$31,920) \times \$0.03333]$$

= Maximum co-contribution amount

### Example

Amy earns \$35,000 pa. She made post-tax contributions to her Telstra Super account of \$1,000 this financial year. Her maximum co-contribution amount is:

$$\$1,000 - [(\$35,000 - \$31,920) \times \$0.03333]$$
$$\$1,000 - \$102.66$$
$$= \$897.34$$

Amy should receive a co-contribution of \$897.34 providing she meets the eligibility criteria.

## How much you may be entitled to

Use our online Government co-contribution calculator at [www.telstrasuper.com.au](http://www.telstrasuper.com.au) or see the summary below to estimate how much you may be entitled to.

If your post-tax super contribution is:

	\$1000	\$800	\$500	\$200
Annual income	Government co-contribution			
\$31,920	\$1000.00	\$800.00	\$500.00	\$200.00
\$33,920	\$933.40	\$800.00	\$500.00	\$200.00
\$35,920	\$866.80	\$800.00	\$500.00	\$200.00
\$37,920	\$800.20	\$800.00	\$500.00	\$200.00
\$39,920	\$733.60	\$733.60	\$500.00	\$200.00
\$41,920	\$667.00	\$667.00	\$500.00	\$200.00
\$43,920	\$600.40	\$600.40	\$500.00	\$200.00
\$45,920	\$533.80	\$533.80	\$500.00	\$200.00
\$47,920	\$467.20	\$467.20	\$467.20	\$200.00
\$49,920	\$400.60	\$400.60	\$400.60	\$200.00
\$51,920	\$334.00	\$334.00	\$334.00	\$200.00
\$53,920	\$267.40	\$267.40	\$267.40	\$200.00
\$55,920	\$200.80	\$200.80	\$200.80	\$200.00
\$57,920	\$134.20	\$134.20	\$134.20	\$134.20
\$59,920	\$67.60	\$67.60	\$67.60	\$67.60
\$61,920	0	0	0	0

## How to contribute to your account

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

Complete the contribution form relevant to your member group and return the form together with your cheque made payable to Telstra Super Pty Ltd. Alternatively you can make a BPAY payment through your bank.

To obtain the relevant form or BPAY reference number visit [www.telstrasuper.com.au](http://www.telstrasuper.com.au) or call 1300 033 166.

\* Reportable employer super contributions include contributions your employer makes on your behalf under a salary sacrifice arrangement.

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](http://www.telstrasuper.com.au) or by calling 1300 033 166.

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