

Give your super a helping hand

The Super Co-contribution was introduced by the Commonwealth Government on 1 July 2003. Since then, the eligibility criteria have been widened allowing many more individuals to qualify.

How do I qualify for a Co-contribution?

You qualify for a Co-contribution if:

- a. you make personal superannuation contributions by 30 June each year to a complying superannuation scheme or fund
- b. you make these superannuation contributions (that will qualify for a Co-contribution) directly into your account (contributions to your spouse's account do not qualify)
- c. 10% or more of your Total Income is from eligible employment, running a business or a combination of both
- d. your "Total Income" (as determined by the ATO) is less than the Higher Income Threshold (indexed annually to reflect changing average wages) in the year you are seeking the Co-contribution. The higher income threshold for the income year 2009-10 is \$61,920.
- e. you are less than 71 years of age at the end of the year of income
- f. you are a permanent resident of Australia
- g. you lodge an income tax return.

Do I need to have my eligibility for the Co-contribution assessed?

No. The ATO determines if you are eligible by combining information that it receives from your tax return and the Fund.

The ATO determines your eligibility based on your "Total Income". This is calculated by adding the total of your "assessable income" and "reportable fringe benefits". The ATO then reviews details of any superannuation contribution provided by the Fund that may be eligible for a Co-contribution.

Once the ATO has this information, they then determine if you are eligible for a Co-contribution and the amount of the payment.

How much is the Co-contribution?

The Co-contribution is a matching contribution; \$1 for every \$1 subject to a maximum of \$1,000 from 2009-10 until 2013-14. This maximum starts reducing once your "Total Income" exceeds \$31,920 (down to zero once your income reaches \$61,920). Provided you are entitled to receive co-contribution, the minimum amount payable is \$20. The Co-contribution examples table on the next page gives you a guide as to how it works.

Who will pay the Co-contribution?

The Commonwealth Government pays the Co-contribution.



When will I receive my Co-contribution?

The Co-contribution applies to eligible contributions made in each financial year since 2003-2004. Your Co-contribution will be calculated after you have lodged your tax return and the ATO has received contribution information from your superannuation fund.

The Fund will send the required information to the ATO by 31 October following the end of the financial year. So it really depends on when you complete your tax return. Remember, the ATO needs both of these pieces of information to determine who is eligible and how much needs to be paid.

How will I receive my Co-contribution?

The Co-contribution payment will generally be made to the same superannuation fund which reported the superannuation contribution for that year as a personal (post-tax) contribution.

If this is FuturePlus Super, we will automatically receive and report any Co-contribution amount in your name.

If you have more than one superannuation fund, you are able to nominate the fund you wish to receive the Co-contribution.

If you do not nominate a fund, the Co-contribution will be made to the fund which reported the highest personal contribution amount for that year.

The ATO will also send you a letter with details of your Co-contribution amount after it has been deposited into your superannuation fund.

The Co-contribution must be preserved in the Fund (it can only be accessed when other preserved amounts can be accessed).

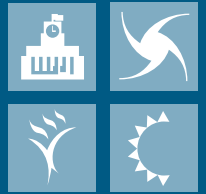
Remember, your super fund must have your tax file number (TFN) to accept your Co-contribution.

How will my Co-contribution be taxed?

The Super Co-contribution is tax-free, both on the way into and out of your Super Fund. However, the earnings on the Co-contribution will be taxed like any other earnings within superannuation.

Co-contribution payment examples for various levels of income/contribution (made from 1 July 2009)

| | Total Income (p.a.) | | | | | |
|--|---------------------|----------|----------|----------|----------|--------------------|
| | Up to \$31,920 | \$37,920 | \$43,920 | \$49,920 | \$55,920 | \$61,920 and above |
| Example 1 Your after-tax contribution of \$500 p.a. | \$500 | \$500 | \$500 | \$400 | \$200 | \$0 |
| Example 2 Your after-tax contribution of \$1,000 p.a. | \$1,000 | \$800 | \$600 | \$400 | \$200 | \$0 |
| Example 3 Your after-tax contribution of \$2,000 p.a. | \$1,000 | \$800 | \$600 | \$400 | \$200 | \$0 |



Should I review my current contribution strategy?

Every time superannuation tax rules change, you should review your arrangements.

Because each situation is different, we recommend you contact Member Services on 1800 067 059. A Member Services Officer can help you with basic information and if your situation is more complex they can put you in touch with a Chifley Financial Planner.

Need further information?

If you would like further information or the address of your local branch, please visit our website at www.futureplussuper.com.au or contact Member Services on 1800 067 059 between 9am and 5pm on any business day.

Please note that the information contained in this document is of a general nature only and does not constitute personal advice as it does not take into account your personal objectives, financial situation or needs. Any advice in this document is provided by Chifley Financial Services Limited (ABN 75 053 704 706), as an Australian Financial Services Licensee (AFSL 231148). Chifley Financial Services Limited is an APRA Registrable Superannuation Entity Licensee and the trustee of FuturePlus Super (ABN 76 829 356 693). Chifley Financial Services Limited is co-owned by LGSS Pty Limited, Energy Industries Superannuation Scheme Pty Limited and Unions NSW. Members should not rely solely on this information and should consider their own personal objectives, financial situation and needs before acting on this information. Prior to making any investment decision you should obtain and consider the relevant Product Disclosure Statement (PDS) pertaining to your membership and seek professional investment advice. Date issued: 26 August 2009.

0000-FPS-809