SUPERANNUATION 2019/20

PERSONAL TAX RATES

Making super contributions usually means paying less tax, because personal tax rates usually exceed 15%, which is the tax paid on concessional contributions. The personal tax rates for Australian residents in 2019/2020 are:

Taxable Income	Tax
0 to $18,200	Nil
$18,201 to $37,000	19c for each $1 over $18,200
$37,001 to $90,000	$3,572 plus 32.5c for each $1 over $37,000
$90,001 to $180,000	$20,797 plus 37c for each $1 over $87,000
$180,001 and over	$54,096 plus 45c for each $1 over $180,000

PRESERVATION AGES

The preservation age is the minimum age that you must reach before you can access your super. Your preservation age depends on your year of birth. The range of preservation ages is:

Date of Birth	Preserv. 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

MINIMUM PAYMENTS FOR SUPER INCOME STREAMS (PENSIONS)

For people who have reached preservation age, super funds do not pay tax on earnings derived from assets used to finance a pension. If you are drawing a pension from your own SMSF, then you must withdraw at least the following amounts each year:

Age	Minimum withdrawal
Under 65	4%
65 – 74	5%
75 – 79	6%
80 – 84	7%
85 – 89	9%
90 – 94	11%
95+	14%

CONCESSIONAL CONTRIBUTIONS

Limit: $25,000 per person

This includes all sources of concessional contributions: super guarantee (compulsory employer contributions), salary sacrifice, personal contributions for which a deduction is claimed, etc.

Contributions are taxed at 15%. If the member has taxable income in excess of $250,000, contributions are taxed at 30%. Tax is paid by the super fund.

NON-CONCESSIONAL CONTRIBUTIONS

Limit: $100,000 per person per year

These are after-tax contributions. Prior to age 65, a person can 'bring forward' two more years' worth of contributions, such that they can contribute $300,000 in one year. They then cannot make further non-concessional contributions in the following two years. Between 65 and 74, a person cannot bring forward future contributions but they can contribute $100,000 per year.

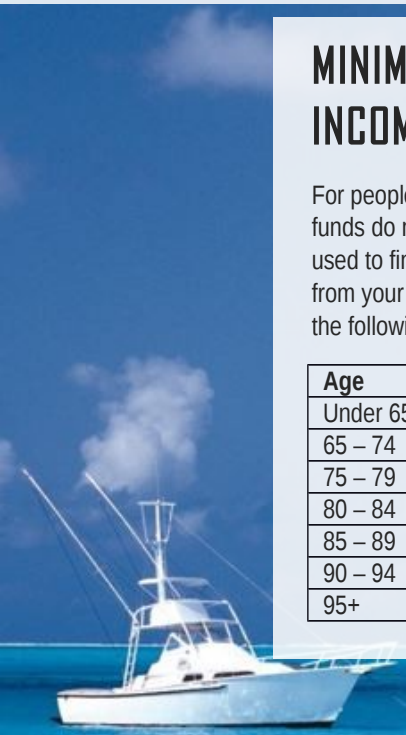
Non-concessional contributions cannot be made by people with more than $1.6 million in super contributions.

Certain types of non-concessional contributions are exempt from these limits. These include proceeds from a settlement for personal injury, government co-contributions and proceeds from the sale of small business assets. Please ask for our advice if you believe you may qualify for an exemption from these limits.

LOW-INCOME CO-CONTRIBUTIONS

When low income earners make non-concessional super contributions, the Government will make a co-contribution up to a limit of $500. The Government contributes a maximum of 50c for every $1 you contribute, so you need to contribute $1,000 to get the full co-contribution.

People who earn less than $38,654 receive the full 50c for every $1 they contribute. For every $1 earned above this threshold, the co-contribution is reduced. Once your income exceeds $53,564, you do not receive any co-contribution at all.



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We are authorised representatives of Shartru Wealth Management Pty Ltd, AFSL 422409.

The contents of this fact sheet constitute general advice only. You should not act on these contents without first seeking personal advice. To arrange personal advice, please contact us and we will be more than happy to help you out.