

Government Super Contributions

If you're a low to middle income earner, the Government may help boost your super savings through the Government Super Co-Contribution and Low Income Super Contribution schemes.

Government super co-contribution

If you earn less than \$50,454¹ in the 2015/2016 financial year and you make a non-concessional (after-tax) contribution into your super, you might be eligible to receive a co-contribution from the Government of up to \$500, which is paid into your super account.

Eligibility

You may be eligible for the co-contribution if you satisfy all of the following requirements:

- You make an eligible non-concessional contribution (i.e. personal after-tax contribution where you do not claim a tax deduction) to a complying super fund or retirement savings account during the financial year;
- your total income¹ (less allowable business deductions) is less than \$50,454²;
- 10% or more of your total income is from eligible employment, running a business or a combination of both;
- you are less than 71 years old at the end of the year of income;
- you do not hold an eligible temporary resident visa at any time during the year, unless you are a New Zealand citizen or the holder of a prescribed visa; and
- you lodge your income tax return for the relevant income year.

How much is the co-contribution?

The amount of co-contribution you're eligible for depends on your income. If your income is equal to or less than the lower income threshold (\$35,454³ for 2015/16), you're eligible for the maximum co-contribution of \$500. Above this, the co-contribution reduces by 3.333 cents for every dollar you earn above \$35,454³, until it cuts out at the higher income threshold (\$50,454² for 2015/16).

This table shows you the amount you need to put into your super to receive the maximum co-contribution for a range of incomes.

Total income for 2015/16 ¹	Contribution needed from you	Your maximum co-contribution
\$35,454 or less	\$1,000	\$500
\$41,454	\$600	\$300
\$47,454	\$200	\$100
\$50,454 or more	Not eligible for a co-contribution	

The minimum co-contribution payment is \$20 (if you are eligible for less than \$20, your co-contribution will be rounded up to \$20).

The Australian Taxation Office (ATO) provides a super co-contribution calculator at www.ato.gov.au to help you estimate the co-contribution for which you are eligible.

Receiving the super co-contribution

You don't need to apply for the super co-contribution. If you're eligible, all you need to do is make the after-tax contributions to Qantas Super and lodge an income tax return.

The ATO will calculate whether you are entitled to the co-contribution. If you are eligible, the ATO will pay it directly to the super fund where you made your after-tax contribution. This generally takes at least 3 months from when your income tax return has been processed.

If Qantas Super receives a co-contribution for you, we will credit it to your super account. You can view your co-contribution online by logging into your super account at www.qantassuper.com.au and on your next annual statement.

The co-contribution is preserved under super law, and must remain in super until you meet the standard criteria to access your super benefits.

¹ Total income is your assessable income plus reportable fringe benefits and reportable employer super contributions.

² The higher income threshold is set at \$15,000 above the lower income threshold.

³ Indexed in line with Average Weekly Ordinary Times Earnings (AWOTE) each income year.

How do I make after-tax contributions?

You can make after-tax contributions into your Qantas Super account in two ways.

1. Make a lump sum contribution

You can make a lump sum contribution by:

- BPAY® using your bank's or financial institution's internet or phone banking services. All you need is Qantas Super's BPAY biller code and your individual BPAY reference number. You can find these numbers by logging into your super account online at www.qantassuper.com.au or by calling us.

or

- Complete the relevant form available on our website and return it to the address on the form, with a cheque made payable to 'Qantas Superannuation Limited'.

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2. Make regular contributions

Simply complete the Qantas Group's online *Superannuation contribution authority* form available from the People section of the Qantas Group intranet or from our website. Alternatively, you can contact Qantas People Services or the relevant payroll department. Your contributions must be 'after-tax (non-concessional)' contributions.

Forms are available at www.qantassuper.com.au, or call us to receive a form via email or post.

To be eligible for a co-contribution for a financial year, your contribution must be in your account by 30 June of that year – so remember to **allow plenty of time** for the post and for processing times by your bank or financial institution. Amounts received by Qantas Super after 30 June will be credited to your account in the next financial year.

Do compulsory member contributions count towards the co-contribution?

If you make compulsory member contributions towards your Qantas Super benefit (for example if you are in Division 2 or 3), and your compulsory member contributions are made on an after-tax basis, these contributions will count towards receiving a co-contribution.

Low income super contribution

If your adjusted taxable income in a financial year is less than \$37,000, the Government also makes a contribution to your super, called the Low Income Super Contribution (LISC). The LISC only applies in respect of concessional contributions to your super from 1 July 2012 until 30 June 2017.

The LISC is equal to 15% of eligible concessional contributions. Concessional contributions include employer contributions and any before-tax contributions you make into your super. The maximum LISC is \$500 and the minimum is \$10 (if you are eligible for less than \$10, your LISC will be rounded up to \$10).

You don't need to apply for the LISC. The ATO will calculate whether you are entitled to it. If you are, the ATO will pay a LISC directly to the super fund where your employer and/or before-tax contributions were made. The LISC is preserved under super law, and must remain in super until you meet the standard criteria to access your super benefits.

If Qantas Super receives a LISC for you, we will credit it to your super account. You can view your LISC online by logging into your super account at www.qantassuper.com.au and on your next annual statement.

Eligibility

To be eligible for the LISC, the following conditions must be satisfied:

- You have received concessional contributions to a complying super fund during the financial year. (Note: the LISC only applies to concessional contributions to your super from 1 July 2012 until 30 June 2017);
- Your adjusted taxable income does not exceed \$37,000;
- 10% or more of your total income is from eligible employment, running a business or a combination of both; and
- You do not hold a temporary resident visa at any time during the year (unless you are a New Zealand resident or the holder of a prescribed visa).

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Issued by Qantas Superannuation Limited ABN 47 003 806 960 AFSL 288330 (Trustee, we, our, us) as trustee for the Qantas Superannuation Plan ABN 41 272 198 829 (Qantas Super). March 2017

