

Government co-contribution

To encourage superannuation savings, the Government has a scheme to match voluntary after tax contributions made by eligible members. Subject to eligibility, this could be a Government co-contribution of up to \$1.50 for each \$1 that you contribute to your account in a financial year – potentially a big boost to your superannuation. That means if you are eligible for the maximum Government co-contribution, you could achieve \$1,500 if you contribute \$1,000.

The maximum Government co-contribution of \$1,500 is payable to those with an income of \$28,980 (or less) who make a personal after-tax contribution of \$1,000. This maximum Government co-contribution then reduces at

a rate of 5 cents for every dollar of assessable income (plus reportable fringe benefits) over \$28,980, and cuts out completely at \$58,980. Contributions don't need to be in a lump sum. You can contribute small amounts over time. For example, to contribute a total of \$500, you would need to contribute about \$9.65 per week. The Government co-contribution is made automatically by the Australian Taxation Office (ATO) directly to your account, as long as you have lodged a tax return and meet eligibility conditions. If you're self employed, your total income used to calculate your co-contribution is assessable income plus reportable fringe benefits less allowable deductions for a business.

	If your personal superannuation contribution is:		
	\$1,000 or \$19.25 per week	\$500 or \$9.65 per week	\$200 or \$3.85 per week
And your income* is:	The Government's co-contribution will be:		
\$28,980 or less	\$1,500	\$750	\$300
\$30,980	\$1,400	\$750	\$300
\$36,980	\$1,100	\$750	\$300
\$40,980	\$900	\$750	\$300
\$46,980	\$600	\$600	\$300
\$50,980	\$400	\$400	\$300
\$56,980	\$100	\$100	\$100
\$58,980	\$0	\$0	\$0

* Assessable income and reportable fringe benefits