

NowInfinity Technical Team  
10<sup>th</sup> July 2017



**Key Superannuation Rates. 2017/18:**

<b>Key Superannuation Rates and Caps</b>	<b>2017-18</b>
Concessional Contributions Cap ( <i>not calculated based on age</i> )	\$25,000
Non-Concessional Contributions Cap*	\$100,000
Excess Concessional Contributions Charge (Qtr: April – June 2017)	4.78%
CGT Cap Amount	\$1,445,000
Low Rate Cap Amount	\$200,000
Untaxed Plan Cap Amount	\$1,445,000
Division 293 Tax Threshold	\$250,000
Super Guarantee Percentage	9.5%
Maximum contribution base (per quarter)	\$52,670
Base limit. Tax free part of redundancy or early retirement scheme payment	\$10,155
For each completed year of service	\$5,078
Co-Contribution Lower Income Threshold	\$36,813
Co-Contribution Higher Income Threshold	\$51,813
<b>Minimum annual payments for superannuation income streams</b>	<b>%</b>
Under age 65	4
65-74	5
75-79	6
80-84	7
85-89	9
90-94	11
95 or more	14

**Preservation Age:**

<b>Date of Birth</b>	<b>Preservation Age:</b>
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

<b>Income component derived in the income year</b>	<b>Age when payment is received</b>	<b>Amount subject to tax</b>	<b>Maximum rate of tax (excluding Medicare levy)</b>
Member benefit – taxable component – taxed element	Under preservation age	Whole amount	20%
	At or above preservation age and under 60 years	Up to the low rate cap amount	Nil
		Above the low rate cap amount	15%
	Aged 60 years or more	Nil – amount is non-assessable, non-exempt income	N/A
Member benefit – taxable component – untaxed element	Under preservation age	Up to untaxed plan cap amount	30%
		Above untaxed plan cap amount	45%
	At or above preservation age and under 60 years	Up to the low rate cap amount	15%
		Above the low rate cap amount and up to the untaxed plan cap amount	30%
		Above the untaxed plan cap amount	45%
	Aged 60 years or more	Up to the untaxed plan cap amount	15%

		Above the untaxed plan cap amount	45%
Death benefit lump sum benefit paid to non-dependants – taxable component – taxed element	Any	Whole amount	15%
Death benefit lump sum benefit paid to non-dependants – taxable component – untaxed element	Any	Whole amount	30%
Death benefit lump sum benefit paid to dependants – taxable component – taxed and untaxed elements	Any	None	Nil
Rollover super benefits – taxable component – taxed element	Any	Nil – amount is non-assessable, non-exempt income	N/A
Rollover super benefits – taxable component – untaxed element	Any	Up to the untaxed plan cap amount is non-assessable, non-exempt income	N/A
		Above the untaxed plan cap amount	45%
Super lump sum benefits less than \$200	Any	None	Nil
Super lump sum benefit (terminally ill recipient)	Any	None	Nil

***From 1 July 2014, the Medicare levy rate has increased to 2% for the 2014–15 income year and later income years. Temporary Budget Levy ceases from 1 July 2017.***

**Notes:**

- **Concessional contributions:** Includes employer contributions (including contributions made under a salary sacrifice arrangement) and personal contributions claimed as a tax deduction. *If you have more than one fund, all concessional contributions made to all your funds are added together and counted towards the cap.* This cap is indexed in line with Average Weekly Ordinary Times Earnings (AWOTE) in increments of \$2,500.
- **Non-Concessional Contributions:** The non-concessional cap for an income year is a multiple of the concessional contributions cap. If you are under 65, you may be able to make non-concessional contributions of up to three times the annual non-concessional contributions cap in a single year. If eligible, when you make contributions greater than the annual cap, you automatically gain access to future year caps. This is known as the 'bring-forward' option. From 1 July 2017 the bring-forward amount and period is dependent on your *total superannuation balance* on the day before the financial year contributions that trigger the bring forward. Transitional period arrangements apply if you triggered a bring forward in either the 2015–16 or 2016–17 financial years. If you have triggered a bring forward before 1 July 2017 and you have not fully utilised your bring-forward cap before 1 July 2017, your cap will be reassessed on 1 July 2017 to reflect the new annual cap. The following table explains this position:

2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
180,000	180,000	180,000	100,000	100,000	100,000
0 to 540,000					
	0 to 460,000				
		0 to 380,000			
			0 to 300,000		

- **Excess concessional contributions (ECC) charge:** Excess concessional contributions are assessed at your marginal tax rate. This charge is applied to the additional income tax liability arising as a result of having excess concessional contributions included in your personal income tax return. The charge is payable for the year a person makes excess concessional contributions and is calculated from the start of the income year in which the excess concessional contributions were made and ends the day before the tax is due to be paid under your first income tax assessment for the year that includes the excess concessional contributions. The ECC charge rates are updated quarterly.
- **CGT Cap Amount:** Under the CGT cap, you can during your lifetime exclude non-concessional super contributions from the non-concessional contributions cap up to

the CGT cap amount. This can apply if you make a personal super contribution using the capital proceeds of the sale of certain small business assets and you choose to have them excluded from your non-concessional contributions cap i.e. Small Business 15 year and retirement exemption.

- **Division 293 Tax Threshold:** *Division 293* tax applies to reduce the concessional tax treatment of certain super contributions made for or by very high income individuals. The high income threshold is \$250,000. An individual's income is added to certain super contributions and compared to the high income threshold. Division 293 tax is payable on the excess over the threshold, or on the super contributions, whichever is less. The rate of Division 293 tax is 15%.
- **The untaxed plan cap amount:** Limits the concessional tax treatment of benefits that have not been subject to contributions tax in a super fund i.e. public sector super funds and is also used to calculate tax payable on certain super lump sum member benefits. Also, used to calculate the excess untaxed roll-over amount.

If you have any further questions, please feel free to email our SMSF Technical Director, Julie Dolan at [julie@nowinfinity.com.au](mailto:julie@nowinfinity.com.au)