

SUPERANNUATION 2024/25

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 2024/2025 are:

Taxable Income	Tax*
0 to \$18,200	Nil
\$18,201 to \$45,000	16c for each \$1 over \$18,200
\$45,001 to \$135,000	\$4,288 plus 30c for each \$1 over \$45,000
\$135,001 to \$190,000	\$31,288 plus 37c for each \$1 over \$135,000
\$190,001 and over	\$51,638 plus 45c for each \$1 over \$190,000

* Rates above do not consider Medicare Levy, Low Income Tax Offset, Senior Age Pension Tax Offset and Medicare Levy Surcharge.

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)

After reaching preservation age, your super does not pay tax on earnings from assets used to finance an income stream. When drawing a pension from super or SMSF, you must normally withdraw a standard minimum amount each financial year.

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

CONCESSIONAL CONTRIBUTIONS

Limit: \$30,000 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 more than \$250,000, contributions are taxed at 30% (known as Div 293 tax). Tax is paid by the super fund.

You can boost your super balance by utilising unused concessional contribution caps from up to five previous financial years on a rolling basis, in addition to current financial year's cap, if you have available funds.

Please contact us to find out if you are eligible.

NON-CONCESSIONAL CONTRIBUTIONS (AFTER-TAX)

Limit: \$120,000 per person per year

Before age 75, you can 'bring forward' 2 years' worth of non-concessional contributions. Your cap depends on your Total Super Balance (TSB) as of June 30 of the previous year:

TSB < \$1.66m:	Up to \$360,000 in one year
TSB \$1.66m-\$1.78m:	Up to \$240,000 in one year
TSB \$1.78m-\$1.9m:	Up to \$120,000 in one year
TSB ≥ \$1.9m:	No contributions allowed

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 contact us if you think you qualify for an exemption.

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.

The government co-contribution decreases as income rises, from 50c per \$1 contributed for those earning under \$45,400, to zero for incomes above \$60,400.

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