

# Super Easy News!

News and information for the clients of  
Superannuation Services Pty Ltd



## Superannuation Services

*Trust, Ethics, Dedication*

A.C.N. 080 604 717 A.B.N. 54 080 604 717

## November 2020

### The Downsizer Contribution

Since 1 July 2018, if you are aged 65 or older and meet the eligibility requirements, you may be able to choose to make a downsizer contribution into your SMSF of up to \$300,000 from the proceeds of selling your home. This is a fantastic opportunity to build your super balance as the downsizer contribution is not treated as a non-concessional contribution and will not count towards your contributions caps.

It can even be made if you have a total super balance greater than \$1.6 million. It will, however, count towards your transfer balance cap (TBC), currently set at \$1.6 million. This cap applies when you move your super savings into retirement phase. Earnings on any amounts in Super over and above the TBC will be taxed at 15%.

It should be noted that downsizer contributions are not tax deductible and will be taken into account for determining eligibility for the age pension.

You can only make downsizer contributions for the sale of one home. However, couples can both access this, allowing a total of \$600,000 to be contributed.

If you sell your home, are eligible and choose to make a downsizer contribution, there is no requirement for you to purchase another home.

There are various eligibility rules, such as the requirement to have owned the home for ten years, so please contact us first before you intend to make this type of contribution.

### Retirement Made Simple

Have you heard? Noel Whittaker has a new book out, Retirement Made Simple. It covers many topics and is presented in Noel's usual style as a very easy read. I was given the opportunity to fact check the Superannuation chapters and proof read the entire book. The book can be purchased at any good bookstore.

We have available limited stock of one of Noel's previous books Making Money Made Simple. If you would like a complimentary copy, please drop into the office or email your request for a copy to [admin@superannuationservices.com.au](mailto:admin@superannuationservices.com.au) and we will post you one.

### Recycling Coffee Capsules

A few years back, we purchased a Nespresso Coffee Machine for the office. Since then we have been recycling the aluminium coffee capsules by delivering them to a local florist. Recently, Nespresso expanded the recycling network and we put our hand up. We now recycle the capsules from three locations. If you would like to join us, and do your little bit for the environment, and you use aluminium capsules, bring them to our office and we will be happy to include them in our recycling program.

### Free Shopping Bags

We still have plenty available. Just drop us a note and we will post them out.

**Ph 07 3808 1500**

Postal Address: PO Box 153, Springwood Q 4127

Street Address: 3/24 Vanessa Boulevard, Springwood Q 4127

Email: [admin@superannuationservices.com.au](mailto:admin@superannuationservices.com.au)

**Get the right information and support to  
protect your future.**

## Contributions for 65 & 66 Year Olds – No Work Test

From 1st July 2020, the work test age has been raised to 67. That means if you are 65 or 66 years old, you can contribute to super. From 1st July 2020 the “Work Test”, being worked 40 hours in a 30 day consecutive period in the financial year, still applies to people 67 or older. The new balance restrictions still apply. If in any doubt, please email or phone to check.

## Paying Expenses

Please ensure that when paying Fund expenses that you include the Fund name or invoice number as the reference. As you can appreciate, with standard fees like ours and the actuary, it is very challenging to match a payment to the correct client when the reference used is “Accounting Fees”. Some banking institutions make it difficult to find the reference spot, even making you scroll to a second page or screen. To assist us in matching your payment please utilise the correct reference.

## Donations

Increasingly we are seeing companies, share registries and brokers suggesting small holdings can be sold and small refunds can be given to charities. Unless you have met a condition of release, this is early release of benefits and is not allowed in Super Funds.

## If You Are Happy With Our Service - ...Don't Keep Us a Secret!

Did you know ALL of our work is performed in Australia by a small dedicated team of professionals – there is **NO off-shore** processing, unlike most of our competitors.



If you are happy with the service we provide please recommend us to work colleagues, friends and family.

## Christmas Closure

Please note our office will be closed from 5pm Wednesday 23<sup>rd</sup> December 2020 and reopen Monday 11<sup>th</sup> January 2021.

## Contribution Caps

Concessional Contribution eg: SGC, Salary Sacrifice, Employer, Member Claiming Tax Deduction	
2020/2021	\$ 25,000

Non-Concessional Contribution i.e: member after tax money	
Total Super Balance (TSB) under \$1.6m	
2020/2021	\$ 100,000 #

Note: Any Contributions made after 67 are subject to the “work test”.

# Maximum Non-Concessional Contribution and Bring Forward if under 65 anytime during financial year		
Total Super Balance	Contribution allowed	Contribution period
Over = \$1.6m	Nil	Nil
Less than \$1.6m Over = \$1.5m	\$100,000	Over 1 year
Less than \$1.5m Over = \$1.4m	\$200,000	Over 2 years
Less than \$1.4m	\$300,000	Over 3 years

*Disclaimer: This bulletin has been published as a service to Superannuation Services Pty Ltd clients and should not be used or relied upon as substitute for detailed advice. The above information provided to you is purely factual in nature and does not take account of your personal objectives, situation or needs. The information is objectively ascertainable and therefore does not constitute financial product advice. If you require personal advice you should consult a properly licensed or authorised financial adviser. Articles or extracts may be reprinted with proper acknowledgement.*



**We are one of Australia's leading specialist self managed superannuation fund (SMSF) administration companies**