



The Government co-contribution

If your income is between certain limits and you make after-tax contributions to your super fund, you may be entitled to a Government co-contribution. The maximum co-contribution is \$1,000 in each financial year.

Who is eligible?

Eligibility for the Government co-contribution is assessed at the end of a financial year. To be eligible you must satisfy **all** of the following:

- your total income¹ for the financial year is less than \$61,920 and you earned at least 10% of your total income¹ from paid employment, running a business or a combination of both
- you lodge an income tax return for the financial year (even if your taxable income is less than the tax-free threshold)
- you made an after-tax (non-concessional) contribution(s) to your super during the financial year
- you did not hold an eligible temporary resident visa at any time during the financial year
- you are aged less than 71 years old at the end of the financial year.

¹ Income is the total of assessable income, reportable employer super contributions and reportable fringe benefits. For the self-employed, total income is reduced by amounts for which an individual is entitled to a deduction for carrying on a business. These deductions do not include work-related employee deductions or deductions that are available to eligible individuals (including the self-employed) for their personal superannuation contributions. The income concept used here is a net concept for individuals who carry on a business, and is designed to ensure that self-employed individuals with high gross business receipts are not arbitrarily exceeding the co-contribution income threshold.

Note: While salary sacrifice contributions effectively reduce your **taxable** income, they do NOT reduce your income for the purpose of qualifying for the Government co-contribution. For example, if your total income is \$70,000 and you make salary sacrifice contributions of \$20,000, your **taxable** income will fall to \$50,000 but you will not qualify for the co-contribution because your income for co-contribution purposes remains at \$70,000 (which is above the \$61,920 upper threshold for 2010–11 and 2011–12).

Use the calculators on our website to see how
the co-contribution can help your super grow



The Government co-contribution (continued)

Using the income thresholds for the 2010–11 and 2011–12 financial years, the table shows the amount of Government co-contribution for various levels of personal after-tax contributions.

Examples	If your personal superannuation contribution is:			
	\$1,000	\$800	\$500	\$200
Your total income is:	Your co-contribution from the Federal Government will be:			
\$31,920 or less	\$1,000.00	\$800.00	\$500.00	\$200.00
\$33,920	\$933.34	\$800.00	\$500.00	\$200.00
\$43,920	\$600.04	\$600.04	\$500.00	\$200.00
\$53,920	\$266.74	\$266.74	\$266.74	\$200.00
\$61,920	\$0.00	\$0.00	\$0.00	\$0.00

How and when is the payment made?

The Australian Taxation Office (ATO) uses your tax return and other information about your contributions to determine if you are entitled to receive a co-contribution payment. Any co-contribution payment is sent directly to your superannuation fund by the ATO. The timing of this depends on when you lodge your tax return, and the ATO assessing your eligibility and processing the payment.



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