



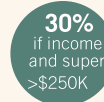













Appendix A

Superannuation Reforms At a Glance

	BEFORE			AFTER		
	TAX	LIMIT	OTHER	TAX	LIMIT	OTHER
CONCESSIONAL (BEFORE-TAX) CONTRIBUTIONS Include: <ul style="list-style-type: none"> compulsory Super Guarantee contributions; voluntary salary sacrificed contributions; and voluntary personal contributions where a tax deduction is claimed. 	 15%  30% if income and super > \$300K  refund tax if income < \$37,000 Low Income Super Contribution	\$30,000 p.a (\$35,000 for people 50 and over)	Only the self-employed whose salary wage is less than 10% of their income can make deductible contributions. People over 65 cannot make voluntary contributions if not working.	 15%  30% if income and super > \$250K  refund tax if income < \$37,000 Low Income Super Tax Offset	\$25,000 p.a for everyone and allowing catch-up contributions of unused caps over 5 years for people with balances \$500,000 or less. 	Everyone is able to claim a tax deduction for super contributions to eligible super accounts up to the cap. People aged between 65-74 can continue to contribute without meeting the work test.
NON-CONCESSIONAL (AFTER-TAX) CONTRIBUTIONS Include: <ul style="list-style-type: none"> contributions from take home pay; inheritances; spouse contributions; proceeds from sales of assets; and contributions above the concession limit. 	 After-tax income no tax in fund	\$180,000 p.a 3 yr bring forward for people under 65. 	\$1.4 million additional CGT cap for eligible small business owners . Tax offset for spouse contributions only where recipient income is less than \$10,800	 After-tax income no tax in fund	\$500,000 lifetime cap for everyone.	\$1.4 million additional CGT cap for eligible small business owners. Tax offset for spouse contributions where spouse income is less than \$37,000
EARNINGS TAX IN THE ACCUMULATION ACCOUNTS	 15% (10% on capital gains)			 15% (10% on capital gains)		
EARNINGS TAX IN RETIREMENT ACCOUNTS	 TAX FREE	no limit No limit on the size of retirement phase accounts	People who have reached preservation age but are under 65 and not retired can access a transitional super income stream (TRIS) with tax free earnings. Only income streams that pay a regular income are eligible for the earnings tax exemption.	 TAX FREE	\$1.6m transfer balance limit Excess balances can be held in an accumulation account.	People who have reached preservation age but are under 65 and not retired can still access a transitional super income stream (TRIS) but earnings on the amount supporting it will be taxed at 15%. Innovative new retirement income stream products will become eligible for the earnings tax exemption.
BENEFITS	 TAX FREE	Minimum draw down requirements for retirement account based pensions.	People can elect to treat certain income streams (including TRIS) as lump sum payments to reduce their tax liability.	 TAX FREE	Minimum draw down requirements for retirement account based pensions.	People will no longer be able to treat super income streams (including TRIS) as lump sum payments to reduce their tax.

Source: Budget 2016 Superannuation Fact Sheet 01