



Up to

# \$1,500 from the Government for your superannuation

If you're an eligible employee, you can receive up to \$1,500 from the Government, paid into your superannuation fund.

If you pay personal contributions into your superannuation, the Government will give you \$1.50 for every \$1.00, in each financial year, provided you meet the eligibility requirements.

This is a fantastic opportunity for eligible low-income workers to boost their superannuation savings for retirement.

This increased benefit became available from the financial year starting 1 July 2004.

**sda**

## What Is The Co-Contribution Scheme?

The Co-Contribution Scheme is a new benefit aimed at helping low-income workers boost their superannuation savings.

Under the Scheme, an eligible worker makes personal contributions into their superannuation fund. At the end of the financial year, the worker completes their tax return. Their super fund will then inform the Tax Office of any personal contributions made.

Upon verification, the Tax Office provides a payment of \$1.50 for every \$1.00, up to \$1,500, to the worker's superannuation fund to be added to their super account.

The Scheme continues as set out above in each financial year to 30 June.

## Are You Eligible?

To be eligible for the Government co-contribution, you must:

- earn less than \$58,000 per year,
- have made your own payments into your superannuation fund by 30 June (N.B. this does not include salary sacrifice payments or payments made by a spouse),
- be a permanent Australian resident aged less than 71 years at 30 June,
- not be fully or largely self-employed, and
- lodge a tax return.

## How Much Will You Get?

If you earn under \$28,000 a year, the Government will give you \$1.50 for every \$1.00, up to a maximum of \$1,000 you contribute each financial year.

If you earn between \$28,000 and \$58,000 a year, the maximum Government co-contribution will fall by 5 cents for each dollar you earn above \$28,000.

If you earn \$58,000 a year or more, you are not eligible.

## How Can You Make Personal Contributions?

If you are not already making personal contributions to your superannuation, there are three easy ways to start.

### 1. Payroll Deductions

Most employers will agree to perform payroll deduction of your contributions, and send them to your superannuation fund.

All you need to do is approach your employer and complete a form authorising the deduction from your weekly/fortnightly wages.

### 2. Direct Payment

You can send a cheque or money order to your superannuation fund. Remember to include your membership details, particularly your membership number, with the payment.

### 3. Direct Debit

You can authorise your super fund to make a direct deduction from your savings account. Contact *REST* for a Direct Debit Authority form.



## How Much Should You Contribute?

To achieve the maximum co-contribution from the Government, you need to ensure your payment is made by 30 June each year.

If you earn \$28,000 or less a year, you should:

1. Ensure you have paid \$1,000 to your superannuation scheme by 30 June each year to receive your \$1,500.
2. Arrange payroll deduction or direct debit of your contributions at the rate of \$20 per week. This will ensure your contributions reach \$1,000 by 30 June each year.

## How To Contact REST

Most SDA members who receive employer contributions for superannuation are members of *REST*.

You can contact *REST* as follows:

- Telephone: 1300 300 778
- Facsimile: 0500 507 378
- Mail: PO Box 350, Parramatta NSW 2124
- E-mail: [contact@rest.com.au](mailto:contact@rest.com.au)
- Internet: [www.rest.com.au](http://www.rest.com.au)

## What Happens To Your Money?

Your personal super contributions and the Government's co-contribution are preserved in your superannuation account until your retirement.

In the meantime, they will generate earnings which will enable your account balance to grow.

The Co-Contribution Scheme is a powerful incentive for low-income workers to save for their retirement, with the Government providing a big boost to your own saving efforts.



## Your Secretary, Paul Griffin, says:

"From 1 July 2004, the Government changed the eligibility for its Co-Contribution Scheme from incomes up to \$40,000 a year, to an annual income of \$58,000.

"With the Government contributing \$1.50 for every \$1.00 you put in up to a limit, the Scheme more than doubles your money immediately. The combined amount then grows through investment earnings until you retire.

"Each financial year, the co-contribution of \$1.50 for every \$1.00 will be paid to your superannuation fund."

### For more information, contact the SDA:

Shop, Distributive and Allied Employees' Association,  
Tasmanian Branch

Launceston Office  
(main office)  
72 York Street  
Launceston Tas 7250

Hobart Office  
75 Patrick Street  
Hobart Tas 7000

Phone (03) 6331 8166  
Fax (03) 6334 2104

(03) 6234 1118  
(03) 6234 1887

Authorised by P. Griffin  
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