

# Fact Sheet for individuals

## Contribution limits

There are limits that restrict the amount you can contribute to superannuation in any particular year before incurring additional tax.

Contribution limits apply to both concessional and non-concessional contributions.

### What are concessional contributions?

These contributions are made before tax is taken out of your salary, and include super guarantee (SG) contributions made by employers\*, personal contributions (for which you can claim a tax deduction) and salary sacrifice contributions.

Concessional contributions are taxed at a lower 'concessional' rate of 15%. If your employer subsidises any administration costs or pays insurance premiums on your behalf, these amounts also count towards your concessional contribution limit.

### What are non-concessional contributions?

These are generally contributions you make to your super after tax has already been paid.

To make a non-concessional contribution you must be under age 65. If you are between 65 and 74, you need to meet a 'work test' of 40 hours gainful employment within a 30-day period in the financial year in which you contribute. Members over the age of 75 may not make contributions.

Importantly, if you have \$1.6 million or more in the super system as at 30 June in the previous financial year, you will no longer be able to make non-concessional contributions.

### What happens if I go over my limit?

If your contributions are over your limit, you will be liable to pay more tax. Only the amount above the relevant limit is charged this additional tax. For example, if you contributed \$5,000 more than the limit, extra tax would be charged on this \$5,000. See over the page for the limits that apply to this financial year.

Any concessional contributions which exceed the limit will be taxed at your marginal tax rate (including the Medicare Levy), plus an Excess Concessional Contributions (ECC) charge.

Excess concessional contributions will also count towards your non-concessional contribution limit. Any non-concessional contributions which exceed the limit will be taxed at 47% (including the Medicare Levy).

It's up to you to monitor your contributions. And if you're contributing to more than one super account, remember that the contribution limit is a total combined limit, irrespective of how many accounts you may have.

Of course, if you're happy to pay the additional tax, the choice to contribute more than the limit is up to you.

### » Track your contributions via our mobile app or online

Download the Russell Investments Super Mobile App on the App Store and follow the prompts.

Alternatively, you can log in at [russellinvestments.com.au/login](http://russellinvestments.com.au/login) and go to 'Concessional contributions' under the 'Quotations' menu.

### » Connecting you with the right advice

From phone-based to face-to-face options, our advice offer is designed to help you maximise your financial position.

We offer expert, phone-based advice on a single super-related issue, as well as Retire Ready meetings for those looking to retire in the next five years—both at no cost to you.

If you want advice on your full financial picture, including investments outside super, we offer personal financial planning. We've partnered with senior financial advisers who are committed to helping you meet your goals. Your first meeting is free.

If you need more information, please visit [russellinvestments.com.au/advice](http://russellinvestments.com.au/advice)

### » We're here to help

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\* Special rules apply to defined benefit schemes. If you are a member of a defined benefit scheme, you should read our Concessional Contribution Limits for Defined Benefit Members Fact Sheet.

## How can I keep track of my contributions?

### What are the limits for the 2017/18 financial year?

Concessional contributions	Non-concessional contributions
Limited to \$25,000 a year	Limited to \$100,000 a year
<p>Concessional contributions include both employer contributions (including SG and salary sacrifice contributions), and personal contributions for which a tax deduction has been claimed.</p> <p>Any contributions in excess of this limit will be taxed at the individual's marginal rate (including the Medicare Levy), plus an ECC charge. These contributions will also count towards your non-concessional contribution limit.</p>	<p>Depending on your total superannuation balance, if you're aged under 65, you may be able to bring forward two years of contributions giving you a total non-concessional cap of \$300,000 for the three years. Where a bring-forward has been triggered, the two future years' entitlement are not indexed.</p> <p>From 1 July 2017, the bring-forward amount and period is dependant on your total superannuation balance and the financial year in which you triggered the bring-forward.</p> <p>For example, if you triggered the bring-forward on 15 March 2016 (when non-concessional contributions were \$180,000 a year) and had not fully utilised your bring-forward cap, your bring-forward cap for three years will be \$380,000.</p> <p>Any contributions made in excess of this limit will be taxed at 47% (including the Medicare Levy).</p> <p><b>Important:</b> If you have \$1.6 million or more in the super system as at 30 June in the previous financial year, you will no longer be able to make non-concessional contributions.</p>

You can monitor your concessional contributions via our app or the website. It is important not to use your payslip to track these contributions, because it will not take into account any amount your employer pays towards insurance premiums and fees in your super. Your payslip also will not take into account when your contributions arrive in the Fund. For example, a contribution deducted from your pay in June may not arrive in the Fund until July, which is in a different financial year.

You can see this financial year's:

- » amounts contributed by your employer
- » salary sacrifice contributions, and
- » other concessional amounts.

You can also see totals for the previous year.

And finally, if you want some help to work out your relevant limit, please call us. We're here to help.