

This year, the 30th June falls on a Saturday

TAKE MINIMUM PENSION BY 29 JUNE 2018

Minimum pensions must be cleared from your superannuation fund's bank account prior to 29 June 2018.

Not drawing your pension can result in 15% tax on all earnings for the year.

If you would like a reminder of your minimum pension or would like any assistance with the payment of your pension, [please contact our office](#).

DEPOSIT CONTRIBUTIONS BY 29 JUNE 2018

For those that would like to make additional contributions to your fund in the 2017-18 year, please **make sure your contributions have cleared the fund's bank account prior to 29 June 2018**.



SUPERANNUATION CONTRIBUTIONS

CONTRIBUTION LIMITS FOR 2017/18 AND BEYOND

Maximum Concessional (tax deductible) contributions	\$25,000
Maximum Non-Concessional (after tax) contributions	\$100,000

In certain circumstances, it is possible to 'bring forward' up to 3 years non-concessional contributions. If your total superannuation balance is over \$1.4m, further restrictions apply – [contact us to discuss](#).

CLAIMING A TAX DEDUCTION FOR PERSONAL CONTRIBUTIONS (NEW IN 2018)

From 1 July 2017, everyone who is eligible to make a contribution will be able to claim a tax deduction for superannuation contributions in their 2018 tax return and beyond.

This can be a useful strategy as an alternative to salary sacrificing or to boost your superannuation whilst receiving a tax benefit – [contact us today to discuss your options](#).



If you wish to claim a tax deduction for personal contributions, you must complete and lodge [a notice of intent](#) with your fund and have this notice acknowledged (in writing) by your fund before you lodge your 2018 tax return. Any contribution needs to be received by your fund **before 29 June 2018**.

TAX OFFSET FOR SPOUSE CONTRIBUTIONS

This offset is claimed as 18% of the eligible contributions with a maximum tax offset of \$540 if:

- you contribute to the eligible super fund of your spouse, whether married or de-facto, and
- your spouse's income is \$37,000 or less.

OTHER GOVERNMENT SUPER CONTRIBUTIONS

Super co-contributions – if you earn income up to \$51,813 in employment income and make a non-concessional superannuation contribution, you may be eligible for the government to also make a contribution up to a maximum of \$500.

Low income super tax offset - if you earn income up to \$37,000, you may be eligible to receive a refund of the tax paid on your concessional superannuation contributions up to a cap of \$500.

CHANGES TO THE DIVISION 293 INCOME THRESHOLD FROM 1 JULY 2017

From 1 July 2017, the Division 293 income threshold reduced from \$300,000 to \$250,000. If your income plus your concessional super contributions exceeds the \$250,000 threshold, you will have an additional 15% tax imposed on your concessional superannuation contributions. This additional tax is levied via a separate assessment issued after your income tax return has been lodged and can be paid from personal funds or you can request the tax be paid from your superannuation fund.

TRANSFER BALANCE ACCOUNT REPORTING (TBAR) – DUE TO BE LODGED BY 1 JULY 2018

If your Self-Managed Superannuation Fund was paying a pension at 30 June 2017 and you continued to pay a pension to you or another member on or after 1 July 2017, you will need to complete and lodge a Transfer Balance Account report on or before 1 July 2018.



As part of our ongoing service, we are currently reviewing all Self-Managed Superannuation Funds to determine which funds are required to lodge a TBAR. You may contact us to discuss, otherwise we plan to lodge all required reports on your behalf before the end of June.

ONGOING TRANSFER BALANCE ACCOUNT REPORTING

In addition to the above TBAR reporting for pensions paid on and after 30 June 2017, SMSFs are also required to report certain events that affect their member's transfer balance including:

- details of any new retirement phase or death benefit income streams
- details of some Limited Recourse Borrowing Arrangement payments
- details of commutations (lump sum withdrawals) from retirement phase income streams

How often and when you need to report

Where **all** members of an SMSF have a total superannuation balance of less than \$1m, the SMSF can report annually with its Annual Return (tax return).

Where **any** member has a total superannuation balance of more than \$1m, the SMSF must report the event within 28 days after the end of the quarter in which the event occurs.

For more information, you can read on the [ATO website](#) or [contact us](#) to discuss.

To assist us in ensuring that your ongoing reporting obligations are met, we ask that you advise our office (by email or phone) when you commence drawing a pension, withdraw a lump sum (in addition to your normal pension) or any other major event occurs (such as the death of a member).

DEATH BENEFIT NOMINATIONS

A common misconception is that a superannuation fund's death benefits automatically form part of a member's estate. This is not the case and in fact the default position is that the trustee of the deceased member's superannuation fund has the discretion to distribute their superannuation death benefits (within a permitted range of beneficiaries including the deceased member's spouse). **The person nominated by the trustee to receive the superannuation death benefit may not be a person who the deceased member intended to receive their death benefit.**

A superannuation fund member can override the trustee's discretion to distribute their superannuation death benefit by making a **binding death benefit nomination (BDBN)**. Where a member makes a BDBN the trustee is compelled to pay their superannuation death benefits to the person nominated by the member in the BDBN (provided that nominated person comes within the permitted range of beneficiaries).

Making a BDBN therefore provides greater certainty to superannuation fund members of where their superannuation is to be distributed once they pass away – talk to us today to discuss your Estate Planning needs.

Important: This is not advice. Clients should not act solely on the basis of the material contained in this bulletin. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of the areas. This bulletin is issued as a helpful guide to clients and for their private information. Therefore it should be regarded as confidential and not be made available to any person without our prior approval.