

# Contributing to super



Rest

Fact sheet

## Making extra contributions to your super account is a great way to help you reach your retirement goals.

There are two types of extra contributions you can make:

- **before-tax** (or concessional) contributions
- **after-tax** (or non-concessional) contributions.

### Before-tax contributions

Money going into your super account is generally taxed at a lower rate than money that goes into your bank account each payday. So adding extra to your super from your salary before tax is taken out can mean you pay less income tax while boosting the money in your super account. These extra contributions are called concessional, or before-tax contributions.

Before-tax contributions include the Superannuation Guarantee (SG) contribution your employer makes for you, other employer contributions above the SG, and any voluntary salary sacrifice payments you make.

Before-tax contributions are generally taxed at only 15% (which can be a lot less than your personal rate of up to 47%), so this can mean more super savings (and less tax paid) for you. Not all employers offer salary sacrifice arrangements, so check it out with them first. And if your annual income is more than \$250,000 (including before-tax super contributions), you might pay extra tax on these contributions.

### Your SG contributions

If you're eligible\* for super, by law your employer has to pay contributions into your super account. This contribution is called the Superannuation Guarantee (or SG). The amount of SG your employer pays is set by the government. From 1 July 2024, the SG is 11.5% of your salary - this will go up to 12% of your salary by 2025.

### Contributions calculator

To see how making additional before or after-tax contributions could boost your super, explore our superannuation calculator at [rest.com.au/calculators](https://rest.com.au/calculators).

### Salary sacrifice

Salary sacrifice means your employer pays some of your before-tax salary (on top of the SG) into your super account, rather than paying it to you as your take-home pay.

If your employer doesn't offer salary sacrifice, you may still enjoy the same advantages by claiming a tax deduction on your after-tax contributions.

If you want to claim a tax deduction on your after-tax contribution, you'll need to send Rest a 'Notice of intent to claim a deduction for personal super contributions' form and get an acknowledgment from us before you lodge your personal tax return.

You can find this form, and all the details about eligibility and when to claim, at [ato.gov.au](https://ato.gov.au). We'll take out the 15% tax and you can then claim the deduction when you do your tax return.

### After-tax contributions

You can also add some extra to your super after tax has been taken out of your pay. This is called a non-concessional or after-tax contribution. As you've already paid tax on this money, it isn't taxed again. After-tax contributions include personal contributions and spouse contributions.

### Personal contributions

You can make regular after-tax contributions, or make a payment in one go - it's up to you. Just use one of our convenient contribution methods such as BPAY®, or direct debit from your bank account or through your employer. If you make an after-tax contribution and earn less than \$60,400 (for 2024-25), you may also be eligible for a co-contribution from the government. Visit [rest.com.au/co-cont](https://rest.com.au/co-cont) to learn more.

### Spouse contributions

If your spouse earns less than \$40,000 per annum and you make a voluntary contribution into their super, you may be eligible to receive a tax offset for that contribution. To receive the maximum offset of \$540 per financial year, your spouse would need to be earning less than \$37,000 per annum, and you would need to make a \$3,000 contribution to their super.

If your spouse earns between \$37,000 and \$40,000 you may still be eligible for the offset, but won't receive the maximum amount. The tax offset phases out completely at \$40,000.

\*If you're under 18, you need to be working more than 30 hours per week to be eligible for super. Visit [ato.gov.au](https://ato.gov.au) for more information on SG exemptions.

## Know your limit

There are limits (or caps) on how much you can contribute to your super (before-tax and after-tax contributions) without incurring more tax:

**Before tax** - \$30,000 per financial year (includes all before-tax contributions including the SG)

**After tax** - \$120,000 per financial year (if your total super balance is more than the eligibility limit - from 1 July 2023, \$1.9 million - you can't make any after-tax contributions).

You may be able to contribute over these limits by making a 'carry forward' contribution (before-tax contributions) or taking advantage of the 'bring forward' rule (after-tax contributions). There are rules around these, please visit [ato.gov.au](https://ato.gov.au) for more information.

Remember, these limits apply to all your super accounts, so you'll need to add up the contributions you make to all the funds you have and count them towards the limit. If you make a contribution into your spouse's super, the contribution will count towards their after-tax limit, not yours. If you go over the limits, there may be tax penalties. Visit [rest.com.au/facts#6](https://rest.com.au/facts#6) for more information.

### Super tips

Download the Rest App, your 24/7 online access to your Rest account so you can:

- give Rest your Tax File Number so your before-tax contributions won't be taxed at a higher rate, and we can accept your after-tax contributions
- keep an eye on your contributions to see if you're getting close to your contribution limits (see 'Know your limit' over the page).

Visit [rest.com.au/app](https://rest.com.au/app) to download or learn more.



## Age requirements and the work test

If you're under age 75 you can make personal contributions and salary sacrifice contributions without needing to meet the work test. Contributions must be received on or before 28 days after the end of the month in which you turn 75.

If you're over 75, you're not able to salary sacrifice, make after-tax contributions or claim a tax deduction on your after-tax contributions. We can accept compulsory employer contributions (such as the SG) and downsizer contributions.

### Work test and work test exemption

If you're aged between 67 and 74, you'll need to meet the work test to claim a personal superannuation deduction for your personal contribution. The work test requires that you're gainfully employed and have worked at least 40 hours within 30 consecutive days in the financial year in which the contributions are made. If you haven't met the work test, you may be eligible for the 'work test exemption'. To be eligible for the 'work test exemption', you must have met the work test in the financial year before the year in which you made the contribution and have a total superannuation balance below \$300,000 at the end of the previous financial year. The work test exemption is available only once. To find out more about the Work Test, Gainful Employment visit [ato.gov.au](https://ato.gov.au).

### Advice when you need it

Making a before or after-tax contribution to your super will depend on your circumstances, so you might like to have a chat with a financial adviser to help you decide.

Rest Advice is all about helping you make decisions about your super today. For more information about how Rest Advice can help, visit [rest.com.au/advice](https://rest.com.au/advice) or call us on 1300 300 778.

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