

TODAY'S TOPIC

Boost your super

Thank you for joining us.
We will commence shortly



Telstra Super Pty Ltd ABN 86 007 422 522, AFSL 236709 (Trustee) is the trustee of the Telstra Superannuation Scheme ABN 85 502 108 833 (TelstraSuper)

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IMPORTANT NOTICE

This presentation contains factual information and general advice only. It has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions.

If you are considering acquiring a financial product you should obtain the relevant product disclosure statement before making any decision.

The taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.



WHY SUPER



HOW
TELSTRASUPER
CAN ASSIST



CONTRIBUTING
TO SUPER



QUESTIONS



WHY SUPER



A good place to invest your money



When employed

In retirement

- **9.5% compulsory superannuation** guarantee contributions from your employer
- **Pre-tax money** you put into super is taxed at 15%
- **Investment earnings** are also taxed up to 15%

- **After you're 60** and you stop working, money that you withdraw is not taxed
- If you start a **Retirement income stream**, there is no tax on investment earnings (up to the transfer balance cap limit*)
- You can also leave your super in your **accumulation account**

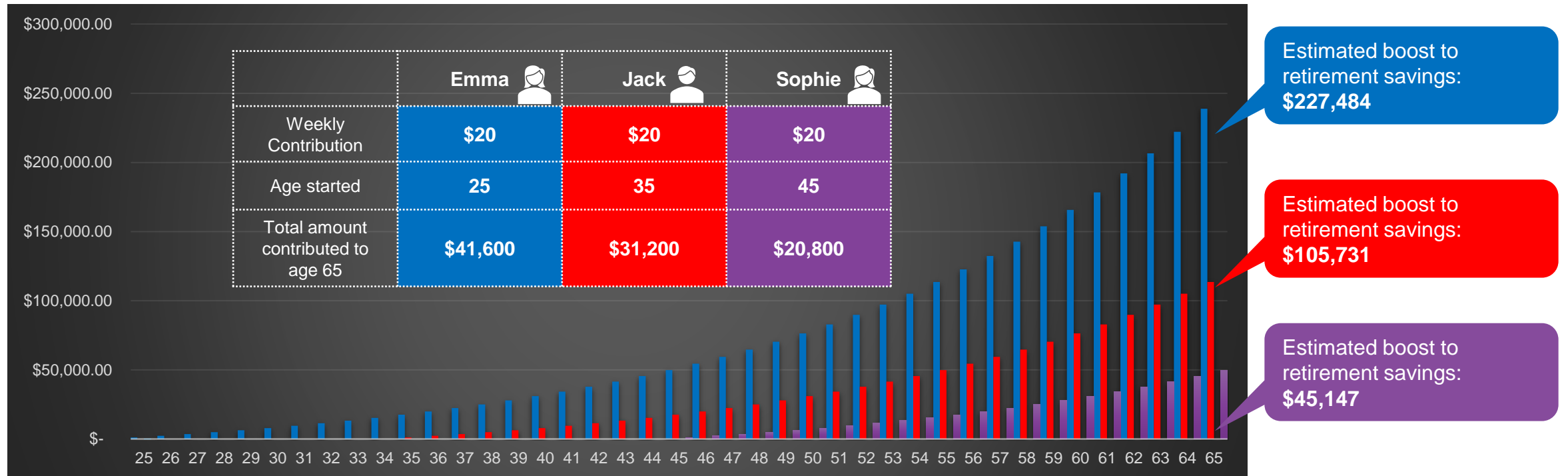
You should be aware that there are limits and conditions on how much you can contribute each year.
*Subject to a \$1.6 million Transfer Balance Cap that applies to retirement income streams.



**CONTRIBUTING TO
SUPER**



Maximising contributions



Based on no initial balance, weekly regular deposit of \$20 until age 65, an investment return of 7% p.a. net of fees, taxes and other costs, retirement age of 65. Not discounted to today's dollars. Past performance is not a reliable indicator of future performance. This presentation contains factual information and general advice only. It has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions.

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Source: <https://moneysmart.gov.au/budgeting/compound-interest-calculator>

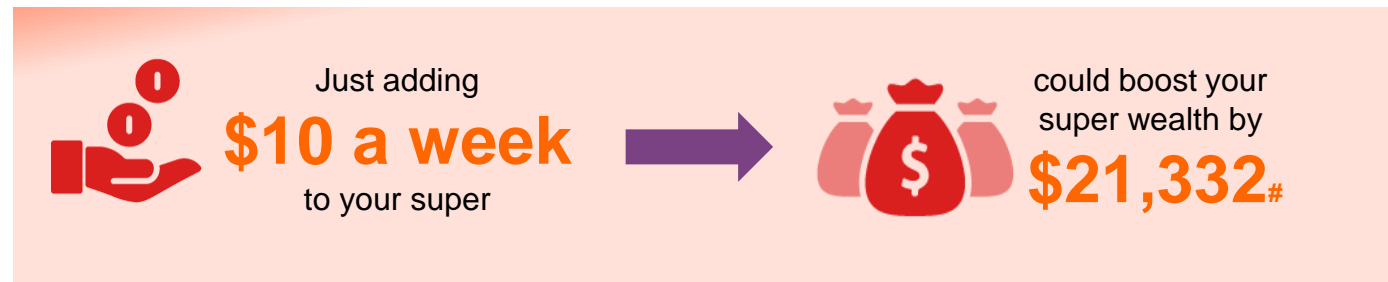
Small amounts can make a big difference



Making your coffee
at work each day
could add*
\$56,742
to your future



Cooking an extra meal
at home each month**
could add
\$17,170
to your super egg



*Calculation made using [superguru.com.au](https://www.superguru.com.au) calculator and based on a 30-year-old person putting an additional \$116 each month into their super account, assuming 4.8%pa growth over 37 years.

**Calculation made using [superguru.com.au](https://www.superguru.com.au) calculator and based on a 30-year-old person putting an additional \$35 each month into their super account, assuming 4.8%pa growth over 37 years.

#Calculation made using [superguru.com.au](https://www.superguru.com.au) calculator and based on a 30-year-old person putting an additional \$10 each week (\$43 per month) into their super account, assuming 4.8%pa growth over 37 years. Calculations are in today's dollars.

Government co-contribution



Annual Income	\$39,837 or less	\$42,837	\$45,837	\$48,837	\$51,837	\$54,837 or more
Personal contribution of \$1,000	\$500	\$400	\$300	\$200	\$100	Nil

The above information is based on the 2020/21 financial year. To receive the co-contribution, your total income must be less than the higher income threshold for that financial year and your personal contributions must reach your super fund by 30 June each year for you to receive a government co-contribution for that financial year. Other eligibility criteria apply.

Source: www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-co-contribution/?anchor=Makingpersonalsupercontributions#Makingpersonalsupercontributions

Spouse contributions



* The tax offset amount reduces when your spouse's income is greater than \$37,000 and completely phases out when your spouse's income reaches \$40,000. This information is based on the 2020/21 financial year. Other eligibility criteria apply.
Source: www.ato.gov.au/individuals/income-and-deductions/offsets-and-rebates/super-related-tax-offsets/

Contribution splitting

You can split up to 85% of your employer and salary sacrifice contributions and transfer it to your spouse's super account, as long your spouse is:

- ✓ under their preservation age, or
- ✓ between their preservation age and 65 years old and still working.
- ✓ Not over age 65

Some of the benefits of contribution splitting include:

- ✓ increasing your partner's super
- ✓ having earlier access to your super if your spouse is older than you, or
- ✓ if your spouse is younger than you, you may qualify for a higher Age Pension under the assets test.

Split contributions can't be accessed until the receiving spouse has reached their preservation age.

Note: You can only split contributions made in the previous financial year and only before-tax (employer and salary sacrifice) contributions can be split – you cannot split after-tax contributions. You can't split contributions made more than one year ago. There are limits on the amount of contributions you can make into super. So, it's important to remember that any contributions you make to your spouse's account under a contribution splitting arrangement are counted as part of your contributions limit - not your spouse's limits. If you exceed the contributions limits, an excess contributions tax may apply.

Downsizer contributions



Proceeds of selling your home
(can only be used once)



Contribute to super
\$300,000 per person or
\$600,000 per couple
(contribution caps don't apply to downsizer contributions)

If you're **65 years old or older** and have **owned your home for a minimum of 10 years** (excluding motorhomes, boats or caravans), you may be eligible to make a downsizer contribution from the proceeds of selling your home.

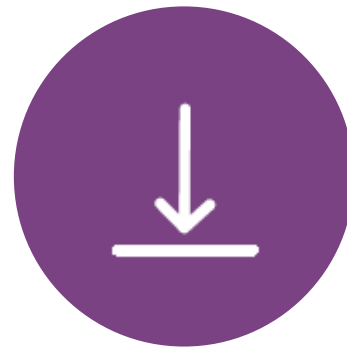
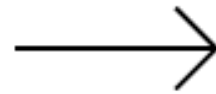
First Home Super Saver Scheme

The First Home Super Saver Scheme (FHSSS) allows eligible first home buyers to withdraw their voluntary super contributions – along with deemed earnings – to put towards a home deposit.



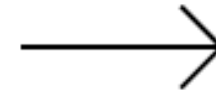
You

Make extra contributions to your super for a deposit, up to \$30,000



Withdraw

Apply to the Australian Taxation Office (ATO) to release your super



Buy your home

Get a home loan and buy your home within 12 months of your application

You can only withdraw contributions under the Scheme once and you can't withdraw the super that your employer is obliged to pay – only the extra voluntary contributions you've made after 1 July 2017.

Summary of contribution caps



 **Pre-tax**
(concessional contributions)

Employer contributions, salary sacrifice, personal deductible contributions, insurance premiums paid by your employer

15% tax rate

Annual contribution cap **\$25,000[†]**

Rolling 5-year catch up

If your total super balance is less than \$500,000 as at end of the previous financial year, any unused concessional contributions cap amounts can be carried forward for up to five years before they expire.

Post-tax 
(non-concessional contributions)

Contribution made from after-tax income[‡] and spouse contributions

0% tax on the way in

Annual contribution cap **\$100,000^{†*^}**

Bring forward rule^{^#}

If your total super balance is less than \$1.6 million individuals aged under 65 may be able to make up to three years' worth of post-tax contributions (up to \$300,000) to their super in a single year.

[†] The concessional and non-concessional contributions cap will be indexed from 1 July 2021

^{*} For the 2020-21 financial year, you must meet the work test if aged 67 to 74 or satisfy the work test exemption criteria. To satisfy the work test you must complete at least 40 hours of paid work in a period of not more than 30 consecutive days in the financial year in which you plan to make non-concessional contributions. The work test exemption means you can also make personal contributions during the first financial year you don't meet the work test if your total superannuation balance at the end of the previous financial year is less than \$300,000.

[^] Subject to \$1.6 million total superannuation balance cap. Individuals with a total superannuation balance of \$1.4 million or more are not able to utilise the full bring forward rule.

[#] Must be under 65 at the start of the financial year and meet other eligibility criteria.

Source: www.ato.gov.au/Rates/Key-superannuation-rates-and-thresholds/?page=3 | www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-contributions---too-much-can-mean-extra-tax/?page=3

Summary of contribution caps



↑ Total super balance

Includes all superannuation funds and retirement income streams

\$1.6 million[^]

No further post-tax (non-concessional) contributions

If the total superannuation balance across all your superannuation and retirement income streams (not just your TelstraSuper account) is equal to or greater than \$1.6 million at the end of the previous financial year.

Transfer balance cap ↑

Maximum amount that can be transferred from superannuation accumulation funds into the tax-free retirement phase

\$1.6 million[^]

Example

John retires at age 62 with a total super balance of \$2 million. He is able to commence a retirement income stream with up to \$1.6 million. John can leave the remaining \$400,000 in his superannuation accumulation account and access this money when needed tax-free as he has retired and reached his superannuation preservation age.

TelstraSuper Financial Planning has a team of phone-based Advisers who can provide you with simple advice in relation to your contributions. There's no additional cost for our phone-based advice as this is included in your TelstraSuper membership. You can contact us on 1300 033 166 or request an appointment with our online contact form. Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705– which is wholly owned by Telstra Super Pty Ltd (TSPL).

[^] The total super balance and transfer balance cap will be indexed from 1 July 2021

Source: www.ato.gov.au/Individuals/Super/In-detail/Growing-your-super/Super-contributions---too-much-can-mean-extra-tax/?page=5 | www.ato.gov.au/individuals/super/withdrawing-and-using-your-super/transfer-balance-cap/



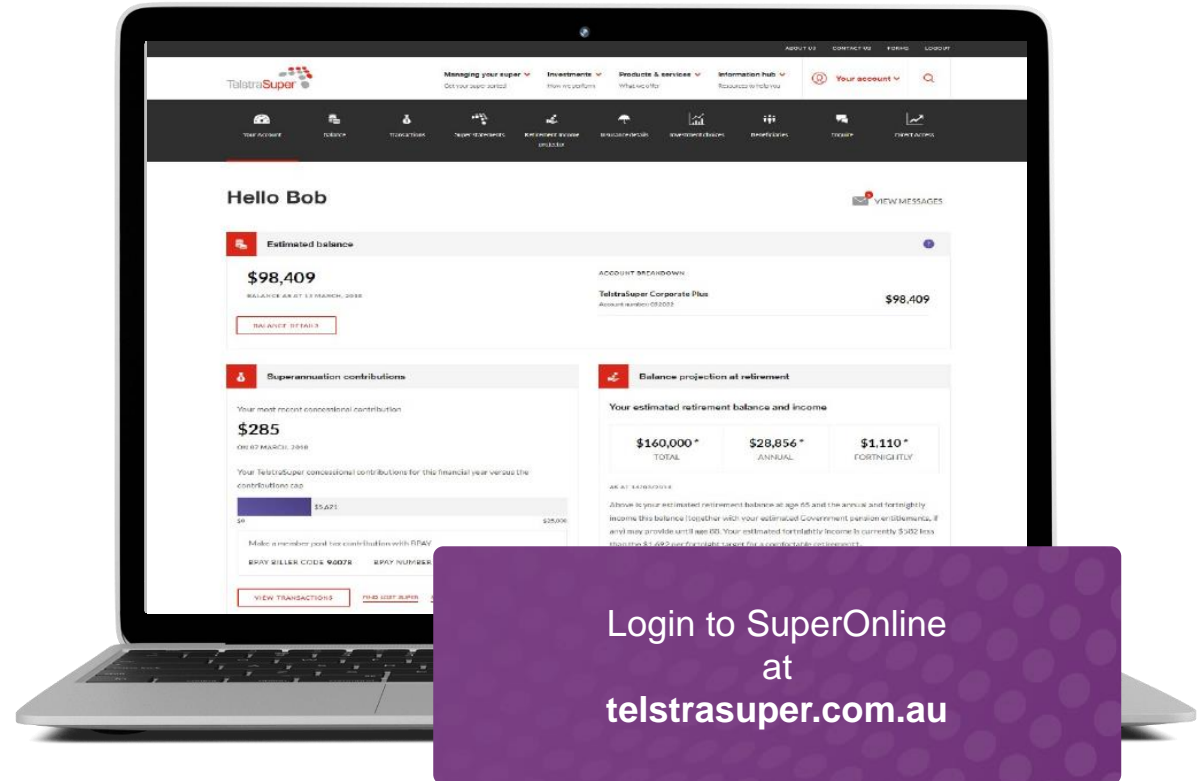
**HOW
TELSTRASUPER
CAN ASSIST**



SuperOnline



- ✓ Update your email address and personal details
- ✓ Check your account balance
- ✓ Review your insurance cover
- ✓ View your nominated beneficiaries
- ✓ Make a non-binding nomination
- ✓ Review your investment options
- ✓ Pre-tax contributions against the concessional contributions cap
- ✓ Benefit statements
- ✓ Latest contributions

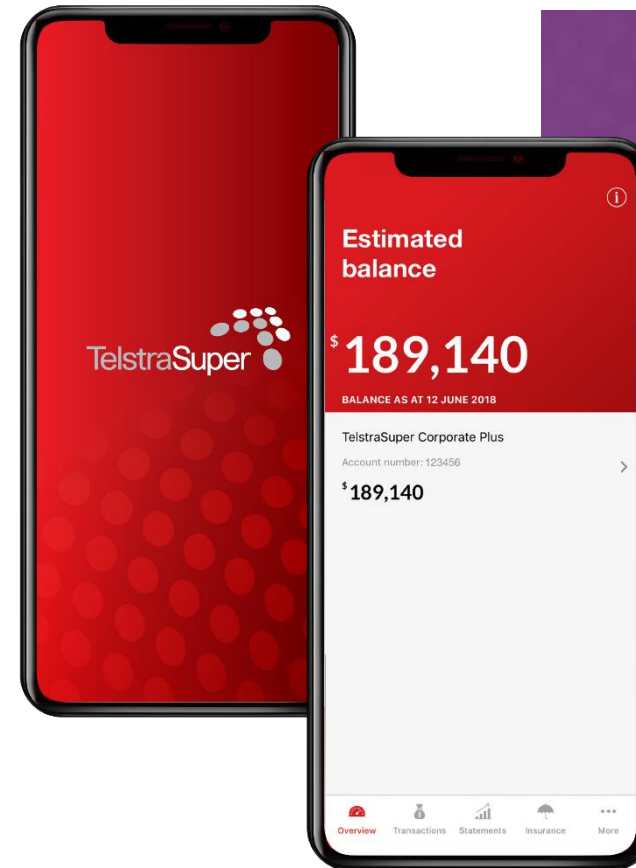


HOW TELSTRASUPER CAN ASSIST

TelstraSuper app



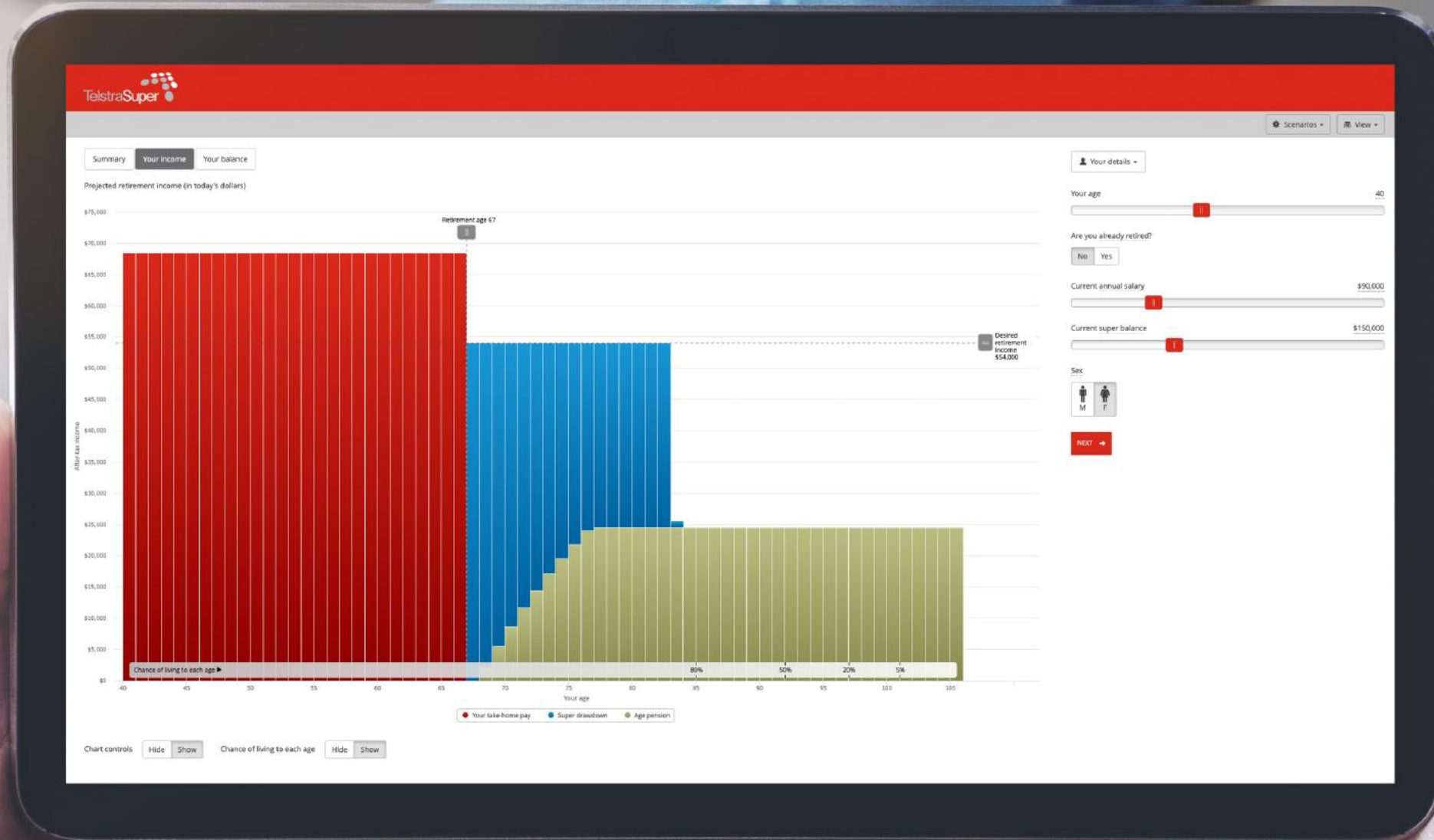
- ✓ Estimated account balance
- ✓ Investment options, allocation of units and investment returns
- ✓ Latest contributions
- ✓ Pre-tax contributions against the concessional contributions cap
- ✓ Benefit statements
- ✓ Insurance cover
- ✓ Transactions
- ✓ Digital Member Card
- ✓ Contact TelstraSuper



Available on
Android
and **Apple**
iOS.

HOW TELSTRASUPER CAN ASSIST

Retirement projector



Financial advice

General and simple advice

- ✔ General and simple personal advice over the phone about your TelstraSuper account including contributions, investment options and insurance cover through TelstraSuper
- ✔ Provided at no additional cost as part of your membership

Comprehensive financial advice

- ✔ Comprehensive personal advice available on a one-off or on-going basis. An advice fee applies
- ✔ Ongoing advice service is available at a competitive price

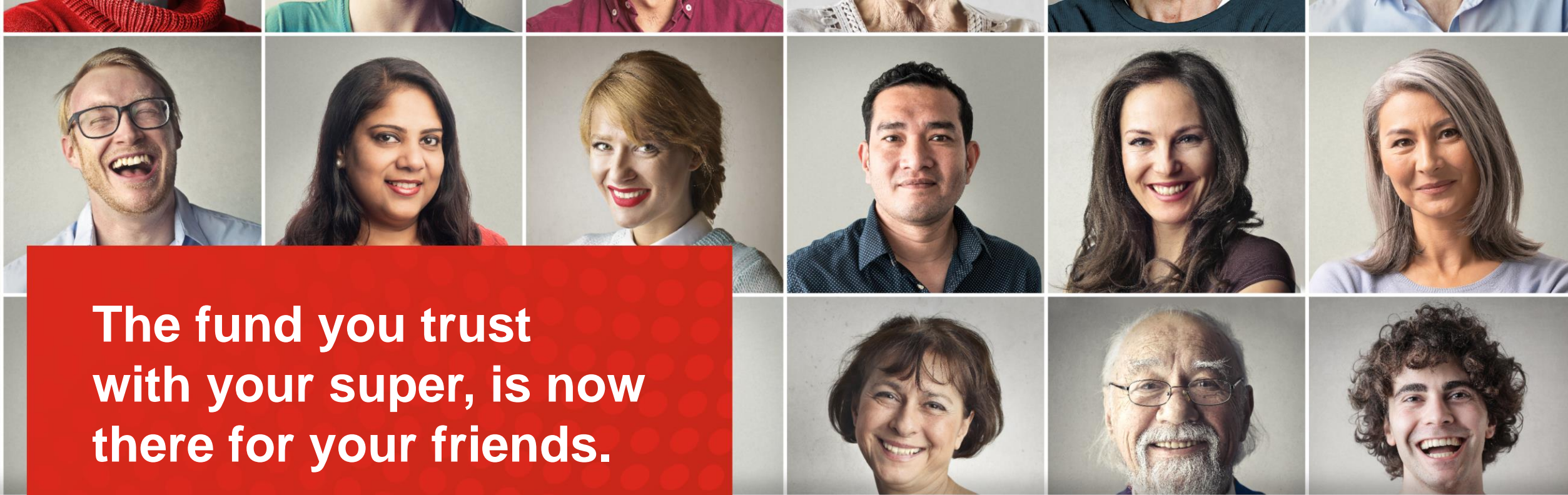
General, simple and comprehensive advice are provided by Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705– which is wholly owned by Telstra Super Pty Ltd (TSPL). Refer to TSFP Financial Services Guide (FSG), dated 1 December 2020 for important information about the services.

Comprehensive advice



TelstraSuper Financial Planning Advisers can provide comprehensive personal advice on a range of super and non-super topics, including TelstraSuper's products.

Ensure your assets are distributed according to your wishes, so that they go to the right people in the most tax-effective way.	Estate Planning	Build wealth outside of super	Help you understand your options for investing outside super such as through managed funds, annuities or investment bonds.
Ways to maximise your super savings as you approach retirement. Put plans in place now to help you meet your long-term retirement savings needs and goals.	Get ready for retirement	Protect your family and your finances	Put the right insurance in place to protect you and your family in times of financial need.
Strategies to ensure your money works hard for you in retirement, including eligibility to social security benefits and tailored investment portfolios.	Plan and manage your retirement income	Budget cash flow and tax	Tailor your wealth and investment strategies to cater for your budget, cash flow needs and personal tax implications.



**The fund you trust
with your super, is now
there for your friends.**

**Invite a friend.
We'll do the rest.**

telstrasuper.com.au/refer



**Competitive
fees**



**Profits back
to you**



**Strong long-term
performance**



**Simple advice
on your super**



**When we win,
you win!**



**Responsible
investors**

Happy to answer your questions.



1300 033 166

8:30am - 5:30pm (Melbourne time) Monday to Friday



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telstrasuper.com.au



**As a leading profit-to-member fund, TelstraSuper is committed helping our members build a financially secure future.
As a current TelstraSuper member, you are able to refer friends and family members to join TelstraSuper.**