

Federal Budget 2018/2019



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Benefits of TelstraSuper



Security of Australia's largest corporate fund

- \$20 billion invested
- 100,000 members
- Not for profit
- Over 25 years' experience



All your super in one account

Locate and combine your other super accounts into your TelstraSuper account.



Your fund for life

You can stay as a TelstraSuper member even if you change jobs. Your eligible family members can join too!



Strong investment performance

Our strong investment returns helps you to build a financially secure future



Multi award winning fund

2017 Max Awards[^]
Website of the year

2015, 2014 & 2012
SuperRatings*
Super of the year



Comprehensive insurance cover

Enjoy the security of automatic income protection cover and employer-paid base death and disability insurance.

[^] Rainmaker Information Pty Ltd - www.rainmaker.com.au/events/sales_and_marketing_forum

* SuperRatings Pty Ltd - www.superratings.com.au

Important Notice

Any advice in this presentation 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.

Any information about taxation in this presentation is factual information or general advice only and does not consider the application or interpretation of any taxation laws to your personal circumstances. If you require taxation advice you should seek advice from a registered tax agent or a registered tax (financial) adviser.



Agenda



Legislative update – what's *not* changing



Legislative update – what's new from 1 July 2018



2018 Federal Budget – key proposals



TelstraSuper assistance



Questions

Legislative update – What's *not* changing



What's *not* changing



Superannuation: Contributions & Caps

- **Pre-tax contributions***: \$25,000 p.a. cap
- **Post-tax contributions*^**: \$100,000 p.a. cap (or \$300,000 cap over 3 years#)
- **\$1.6 million 'total superannuation balance'**: no further post-tax contributions
- **Spouse contributions**
- **Spouse contribution splitting**

Retirement Income Streams

- **\$1.6 million Transfer Balance Cap**: tax-free income stream starting balance limit
- **TTR income streams**: introduction of earnings tax rate up to 15% (same as super)

* Must satisfy work test if aged 65 and over

^ Subject to \$1.6 million balance cap

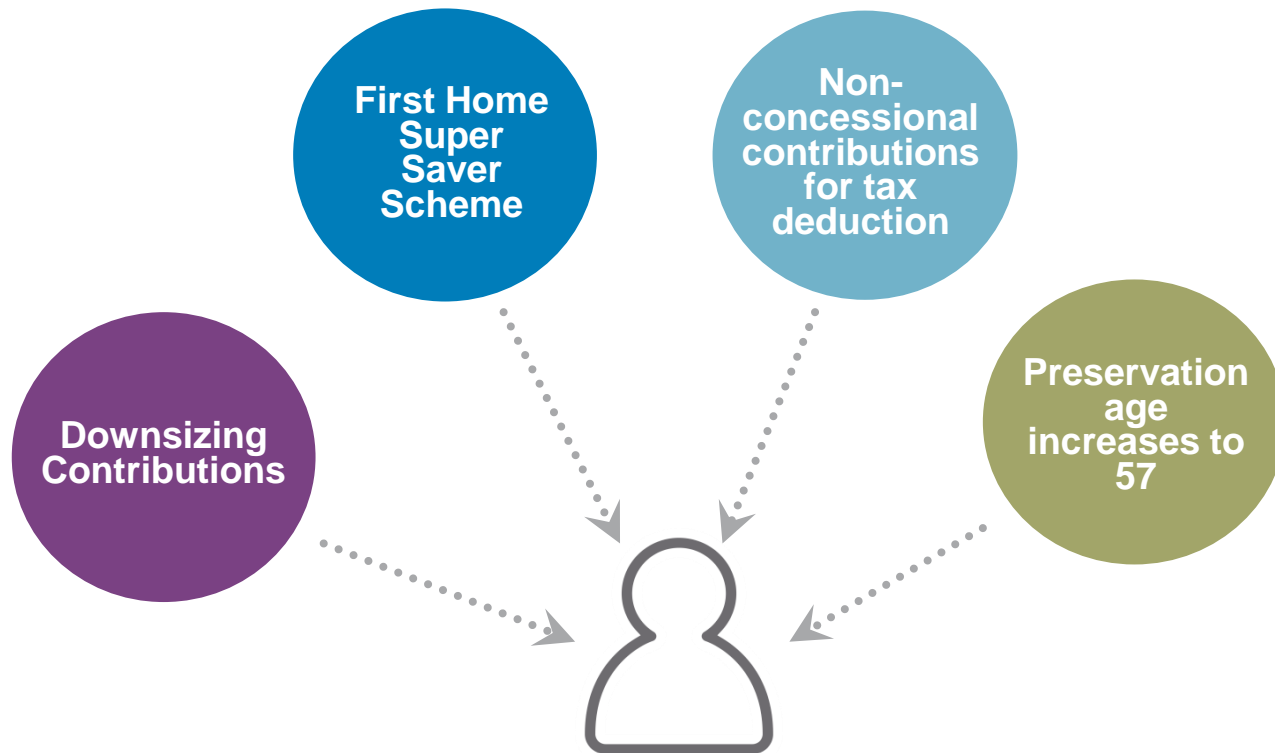
\$300,000 over 3 years, not available from 65

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Legislative update – What's new from 1 July 2018



What's new from 1 July 2018



What's new from 1 July 2018

Downsizing the family home

- Sale of family home from 1 July 2018
- Over age 65
- Personal contribution up to \$300,000 per person
- No work test or balance restrictions

First home super saver scheme

- Voluntary contributions made from 1 July 2017
- Up to \$15,000 per year
- Maximum \$30,000 total per person
- Withdrawals allowed from 1 July 2018

Tax deductions on after-tax contributions



After-tax contribution



Notice of Intent to Claim a Tax Deduction

Complete this form if you've made a personal contribution to your super account and wish to claim a tax deduction.

KEY SECTIONS FOR YOUR INFORMATION

WHAT YOU NEED TO KNOW

- You must complete and return this form by the super of the following financial year following the year in which you made the contribution.
- Before you can claim the deduction on your tax return, you must receive a written acknowledgment from us confirming we've received a valid notice from you.
- Certain contributions will not qualify for a tax refund including rollover super benefits and salary sacrifice amounts.
- If you've made contributions from your account or rollover to another super fund after making personal contributions, you can only claim a deduction up to the amount of the personal contributions remaining in your account.
- Any contributions for which you claim a tax deduction will count towards your per year personal contribution limit.
- To use complete this form, you have received a written acknowledgement from us and you have made a request to a previous contribution of intent to claim a tax deduction. If this notice also meets conditions, a Notice of Intent to claim a tax deduction for personal super contributions' form (NIT 71721) issued by the Australian Taxation Office (ATO) and used to back to us. Not necessary to obtain this form.

1. Your details

Title	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input type="checkbox"/> Other	Member number
Surname		Date of birth
Given name(s)		
Residential address		
Suburb	State	Postcode
Middle	Home phone no.	Business phone no.
Email address		

2. Contribution details

Financial year ended 30 June 20

The total amount of personal contributions to my account in the above financial year: 1

The amount of these personal contributions I wish to claim as a tax deduction: 1

We're here to help

If you have any questions or would like to talk to a TelstraSuper Financial Advisor, please call us on 1300 033 156.



Claim tax deduction & lower your assessable income



2018/19 Federal Budget – key proposals



2018 Federal Budget – key proposals



Fee cap on accounts with balance below \$6,000 & ban on exit fees (1 July 2019)

Opt-in insurance for people aged under 25, with balances below \$6,000, or inactive accounts (1 July 2019)

Super trustees will need to build new retirement 'income for life' products for their members (no date)

Superannuation

Means testing for lifetime pooled income streams (1 July 2019)

All inactive accounts under \$6,000 to be transferred to the ATO for proactive matching (1 July 2019)

1-year exemption from work test for people aged 65-74 with balances below \$300,000 (1 July 2019)

High income earners can switch off SG contributions from nominated Employer (1 July 2018)

Contributing to super – 2018 Budget proposals



Proposed changes to contributing to super

- Exemption from work test on making post-tax contributions in the **first year** retirees **do not** meet work test (40 hours in 30 consecutive days), when:
 - aged 65 – 74
 - super balance below \$300,000
 - existing contribution caps apply
- High income earners (\$263,157+) with multiple employers will be able to make salary/wages from a nominated employer exempt from Super Guarantee



From

1 July 2019

1 July 2018

Contributing to super – work test exemption

Opportunity

- To make after-tax contributions between ages 65 & 74 when no longer working
- To contribute to a retired spouse's account
- To contribute up to \$400,000 with Downsizing Contributions

Consideration

- Exemption in place for 12 months from 30 June in **first year of *not*** meeting the work test
- Only possible with balance below \$300,000
- Existing caps apply (\$100,000 pa)
- \$300,000 3-year cap not available from age 65 (does not apply to Downsizing Contributions)



TelstraSuper assistance



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TelstraSuper Financial Planning



Limited Advice Team



Comprehensive Advice Team

Simple advice	General and limited one-off personal advice about super	Advice on simple super and TelstraSuper related topics		Part of your TelstraSuper membership
	Other one-off personal advice on a broader range of financial products including super	Advice on more complex super and non-super (including personal insurance) topics	 	\$550 - \$2,500 plus GST (where applicable) depending on the nature and complexity of the advice. This charge can include a couple or individual.
Comprehensive advice	Ongoing advice services	Advice on super and non-super topics that includes regular, proactive contact from a dedicated advisor in relation to one-off advice you obtain	 	Either \$1,400 or \$2,200 p.a. plus GST (where applicable) depending on the nature and complexity of the advice and type of ongoing advice service. This fee is additional to the one-off advice you pay. This charge can include a couple or individual

What's next?



www.telstrasuper.com.au



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Review your
contribution
strategy

Discuss
your options
with
TelstraSuper

Access
accounts
online

Check out
our
Retirement
Income
Projector

Seek
Advice

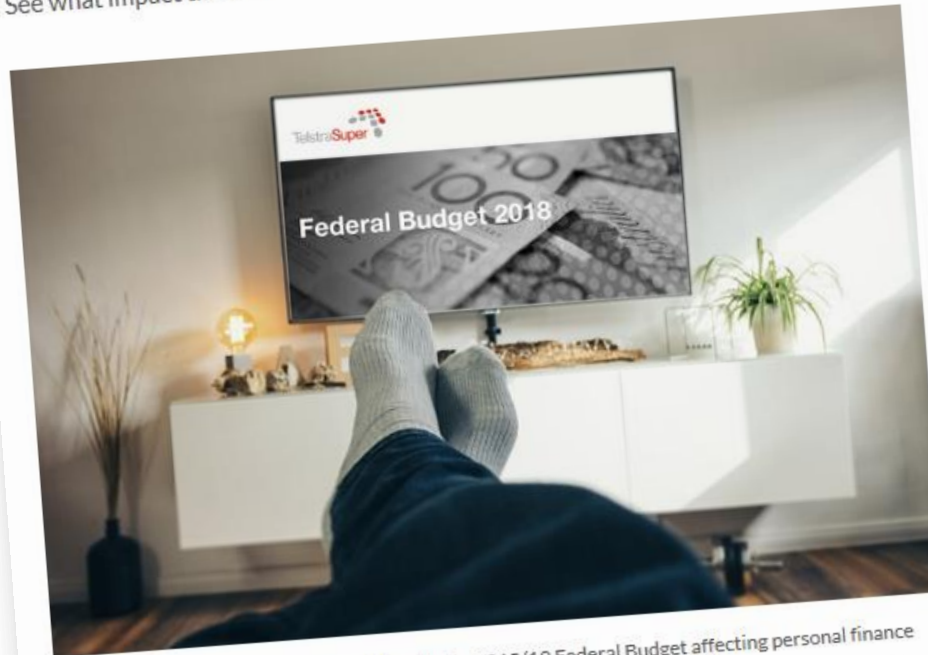
Federal Budget 2018

MAY 9, 2017

Legislation

SHARE    

See what impact the 2018/19 Federal Budget may have on your financial future.



Changes to taxation were the biggest item in the 2018/19 Federal Budget affecting personal finance and savings. Despite this, there were still some proposed changes to super which in particular may affect younger Australians growing their super savings; those with small balances; and those currently in retirement.

It's important to understand that all announcements are proposals and are not yet law.

You can also read more on the proposed changes to super in our [Budget snapshot](#).

Thank you



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