

PROPOSED CHANGES TO SUPERANNUATION - 2011/12

From time to time superannuation rules change as a result of new legislation. This factsheet provides you with details of proposed changes to superannuation which are yet to be legislated. You should read this factsheet together with the MAP Superannuation Plan Product Disclosure Statement (PDS) which is available on our website at www.mapfunds.com.au or by calling us on 1800 640 055.

Superannuation Guarantee (SG)

Currently, SG Contributions must be 9% of gross ordinary time earnings (see page 11 of the PDS). The Government has proposed an increase in the SG Contribution rate from 9% to 12% by 1 July 2019. The proposed increase will be progressively phased in between 2013 and 2019 as shown below.

Year	SG Rate %
2011-12	9.00
2012-13	9.00
2013-14	9.25
2014-15	9.50
2015-16	10.00
2016-17	10.50
2017-18	11.00
2018-19	11.50
2019-20	12.00

Raising the Superannuation Guarantee (SG) age limit from 70 to 75

Currently employers are not obligated to make SG Contributions for employees who are age 70 and over (see page 11 of the PDS). The Government proposes to raise the age limit for Superannuation Guarantee (SG) obligation from age 70 to 75. This proposed change is due to commence from 1 July 2013.

Refund of Excess Concessional Contributions

In the 2011 -2012 Federal Budget, the Government proposed that, from 1 July 2011, individuals who breach the concessional contribution cap by less than \$10,000 can request for excess concessional contributions to be withdrawn from their superannuation fund and refunded to them. Refunded excess concessional contributions will be taxed at the individual's marginal tax rate.

This proposed change is yet to receive royal assent and is therefore not yet law.

Rebate on Superannuation Contributions for low income earners

The Government has proposed an annual contribution of up to \$500 for individuals on adjusted taxable incomes of up to \$37,000 from 1 July 2012, effectively rebating the 15% tax charged on Concessional Contributions to superannuation.

Increase to Concessional Contribution limits

The Concessional Contribution Cap (see page 12 of the PDS) is currently:

- \$25,000 for persons aged under 50; and
- \$50,000 for persons aged 50 and over (under transitional arrangements until 30 June 2012).

Under the Government's proposed changes from 1 July 2012 the following Concessional Contribution Cap will apply:

- \$25,000 for persons aged under 50;
- \$25,000 for persons aged 50 and over with total superannuation assets over \$500,000; and
- \$50,000 for persons aged 50 and over with total superannuation assets less than \$500,000

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