

tax and super changes

to let your employees know about

On 1 July 2017, Federal Government changes to tax and super contributions will affect some of your employees.

Here are some answers to questions your employees may ask about them – particularly if you are a payroll administrator.

01

Are they making, or planning to make, additional super contributions?

No? Continue to Q2.

Yes? Refer to the table below.

Before tax?*	After tax?
Before tax contributions are now capped at \$25k regardless of age.	After tax contributions – previously capped at \$180k – are now capped at \$100k.
For high income earners – defined as \$250k+ – before tax contributions are subject to additional tax.	

*These contributions include your superannuation guarantee payments.

02

Do they earn \$180k+?

No? Continue to Q3.

Yes? They are no longer subject to the 2% tax associated with the Budget Repair Levy.

03

Would they like to make salary sacrifice contributions and claim them as a tax deduction?

Yes? If you do not offer this service to your employees, they can now make contributions to their super directly and claim the deduction on their tax return. Visit ato.gov.au for more information.



Have they reached their preservation age and would like to access their super?

Yes? Speak to HESTA.

No? Just a reminder that the preservation age is now 57, which applies to people born between 1 July 1961 – 30 June 1962.

Further preservation age definitions:

Date of birth	Preservation age (years)
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
After 30 June 1964	60

For more information on the above changes, visit hesta.com.au/knowitall or ato.gov.au

contact us

hesta@hesta.com.au | 1800 813 327 | Locked Bag 5136, Parramatta NSW 2124 | hesta.com.au

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