



MEAT INDUSTRY EMPLOYEES' SUPERANNUATION FUND

ABN 17 317 520 544

Level 2, 62 Lygon Street, Carlton South VIC 3053

Free Call: 1800 252 099 Phone (03) 9662 3861 Fax: (03) 9662 2430 Email: fundadmin@miesf.com.au

www.miesf.com.au

More Access to Tax Deductions for Personal Contributions to Super

From 1 July 2017, the requirement to be substantially self-employed has been removed and any member (whether an employee or self-employed) may be able to claim a tax deduction for personal contributions. If you make a personal (after-tax) contribution to your super and meet other eligibility criteria, you may be able to claim a tax deduction on some or all of these amounts, which could reduce the amount of tax you pay for the year. **Please note** that this applies to individuals who are already members of MIESF.

How it works

When you make a personal (after-tax) contribution to your super, it counts towards your after-tax (non-concessional) contributions cap. If you claim a tax deduction on this contribution, it will change the personal contribution from an after-tax contribution to a before-tax (concessional) contribution.

You can't claim more than your before-tax (concessional) contribution cap

You can't claim a tax deduction for an amount of personal contributions that is more than your before-tax (concessional) contribution cap, which is usually \$27,500 each financial year[#].

The before-tax contribution cap includes all before-tax contributions, including compulsory employer contributions (such as Superannuation Guarantee (SG) contributions) and salary sacrifice contributions. If the total amount of your personal contribution puts you over your before-tax contribution cap, then you can only claim a tax deduction for some of it. If you have not used up your full before-tax contribution cap in a previous year (or years), you may be able to carry forward the leftover amount of your cap (that is, you may be able to contribute more by way of tax deductible personal contributions because you are allowed before-tax contribution in a year higher than \$27,500[#]).

Age requirements and the work test

• Are you aged 67 to 74?

From 1 July 2022, you'll need to meet the government's 'work test' to claim a deduction on your personal contributions if you're between 67 and 75 years of age. The work test requires that you work at least 40 hours in not more than 30 consecutive days in the financial year that your contribution is 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 meet the work test in the previous financial year and have a 'total super balance' of less than \$300,000 at the end of the previous financial year. Your total super balance is the total of all super you hold across all super funds you participate in. The work test exemption is only available once.

There may be restrictions on your eligibility to claim a tax deduction on your personal contributions, if you are age 67 or over. Find out more on the ATO website.

• Are you aged under 18 or over 74?

If you are aged 75 years or older, you can only claim a deduction for personal contributions you made before the 28th day of the month following the month in which you turned 75. If you are under 18 years old at the end of the income year in which you made the contribution, you can only claim a deduction for your personal contributions if you also earned income as an employee or a business operator during the year.

[#]Limits for the financial years ending 30 June 2023 and 2024. You can visit ato.gov.au for further information about the limits (including changes to the limits that may occur from year to year)

Tax on your personal contributions

Once you advise MIESF of your intention to claim a deduction for your personal contributions, the contributions become subject to tax at the rate of (usually) 15%. MIESF deducts 15% of the contributions from your account for the tax on those contributions.

Claiming your contributions as a tax deduction could reduce the amount of tax you need to pay on your personal income. So, depending on your personal tax rate, you may pay less tax overall (even though the contributions become subject to tax in MIESF).

If you claim a deduction on all of your personal contributions in a financial year, you won't be eligible for Government co-contributions for that year. If you only claim a deduction on some personal contributions, you may still be eligible for Government co-contributions for the year, depending on your income.

Contribution limits

The Government limits the amount of after-tax and before-tax contributions you can make to super (across all funds you participate in) each financial year. If you exceed the limits, you may pay extra tax. For further information on these limits please refer to the current MIESF Product Disclosure Statement by visiting our website - miesf.com.au or contact the ATO.

Once you reach age 75, you cannot add to your super yourself, although you may still receive compulsory employer contributions (such as Superannuation Guarantee) and make downsizer contributions, if eligible.

Please make sure that MIESF has your tax file number (TFN). You don't have to provide your TFN to us but if we don't hold it:

- your before-tax contributions will be taxed an additional 32%
- MIESF won't be able to accept personal contributions from you, which means you may miss out on any super co-contribution you're eligible for
- your spouse can't make contributions to your account for you, which means your spouse may miss out on a tax offset (if you are a low-income earner and your spouse is eligible)
- it will be harder to keep track of your super.

How to claim a Tax Deduction

If you want to claim a tax deduction for your personal super contributions, please take the following 3 steps in this order:

- **Step 1** Complete and send to MIESF the ATO *Notice of intent to claim or vary a deduction for personal super contributions* (Notice of Intent) form available from:
www.ato.gov.au/Forms/Notice-of-intent-to-claim-or-vary-a-deduction-for-personal-super-contributions/
This tells us the amount you want to claim.
- **Step 2** Ensure you receive an acknowledgement from MIESF validating your claim.
Once we receive your form, we will usually write to you confirming the amount you want to claim. 15% contributions tax will then be deducted from your account and reported on your next member statement. Note, however, that in some circumstances we cannot provide an acknowledgement (see below).
- **Step 3** Submit your tax return. You will need to state the amount you want to claim as a tax deduction in the supplementary section of your tax return.

Please note we cannot acknowledge your Notice of Intent if you've left MIESF, closed your account to start an income stream or no longer hold the relevant amount of contributions (for example, because you've split your contributions with your spouse or made a partial withdrawal). Your Notice of Intent must be submitted to MIESF before you lodge your tax return and the end of the financial year following the year in which the personal contributions were made (whichever is earlier).

Please refer to the website of the Australian Taxation Office (ATO) for more detail including the process to follow to notify MIESF and the ATO so that the correct tax treatment can apply:

<https://www.ato.gov.au/individuals/super/growing-your-super/adding-to-your-super/personal-super-contributions/>

How to change an earlier tax deduction claim lodged with MIESF

If you've already submitted a valid Notice of Intent for (Earlier Notice) with us but now intend to claim a different amount as a tax deduction, you can do so as long as you haven't filed the tax return for the financial year in which you made your contributions.

If you **intend to claim more**, you can submit a new Notice of Intent form instead of submitting a variation to your Earlier Notice:

- When submitting your updated [Notice of intent to claim or vary a deduction for personal super contributions form](#), please place an 'X' in the 'No' box for question 10 in Section C: 'Is this notice varying an earlier notice?'

If you **intend to claim less**, you will need to lodge a variation to the Earlier Notice you sent to us:

- The variation replaces the Earlier Notice and shows the amount of contributions which you now want to claim as a tax deduction. For [question 10 on the form](#) 'Is this notice varying an earlier notice?' in section C, place an 'X' in the 'Yes' box.

Please note you cannot vary a valid Earlier Notice if we no longer hold the contribution covered by that Earlier Notice, if you are no longer a member of MIESF, or if we have begun to pay an income stream based on all or part of the contribution covered by the Earlier Notice.

This factsheet was issued by Meat Industry Employees' Superannuation Fund Pty Ltd (ABN 58 005 793 199) (AFSL 239953) as Trustee of the Meat Industry Employees' Superannuation Fund (MIESF) (ABN 17 317 520 544). This factsheet contains general information only. We have not taken into account your needs or personal circumstances and you need to assess your own financial situation and seek advice if you consider it necessary. This factsheet is current as at 8 June 2023 and subject to change. The target market determination for MIESF products can be found at miesf.com.au. Before making a decision consider if the information is right for you and refer to the relevant Product Disclosure Statement (call 1800 252 099 or visit miesf.com.au).