

### **Lifetime cap for non-concessional superannuation contributions**

From 3 May 2016 there is now a \$500,000 lifetime non-concessional contributions cap. This replaces the existing cap of \$180,000 per year of non-concessional contributions. Any contributions made after 1 July 2007 will be taken into account in regards to this cap, if you exceeded this cap, you will not be required to withdraw any excess contributions. However if you exceeded this cap after 3 May 2016 you will have to withdraw the excess from your fund.

### **Catch-concessional contributions**

From 1 July 2017 individuals with a superannuation balance of less than \$500,000 will be allowed to make additional concessional contributions where they have not reached their concessional contributions cap in previous years.

### **Reducing the concessional contributions cap**

From 1 July 2017 the concessional contributions cap will be reduced to \$25,000 regardless of age.

### **Contribution rules for those aged 65 to 74**

From 1 July 2017 the 'work test' will be removed from those in the above age bracket for any voluntary or non-concessional contributions to super.

### **Tax deductions for personal superannuation contributions**

From 1 July 2017 individuals under 75 will be allowed to claim an income tax deduction for personal super contributions. Under the current law a tax deduction is only allowable for those that satisfy the '10% test'.

### **High income contributions rules**

Where an individual's total income exceeds \$300,000 in an income year, their concessional contributions to super will be taxed at 30% currently. From 1 July 2017 this threshold will be reduced to \$250,000.

### **Tax earnings on assets supporting a Transition to Retirement Income Stream**

From 1 July 2017 the tax exemption on earnings of assets supporting TRIS' will be removed. This change will apply irrespective of when the income stream commenced.

### **Medicare levy low income thresholds**

For the 2015/16 income year the thresholds will be as follows:

Individuals	\$21,335 (previously \$20,896)
Families	\$36,001 (previously \$35,261)

### **Personal income tax threshold**

From 1 July 2016 the personal income tax of 32.5% threshold will increase from \$80,000 to \$87,000

### **Company tax rate**

From 1 July 2016 the small business company tax rate will reduce to 27.5%

### **Small Business Entity Turnover Threshold**

From 1 July 2016 the SBE turnover threshold will increase to \$10 million

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