

Dear Stephen,

As we expected, the superannuation rule changes announced in the 2011 Federal Budget this week are minor compared with the level of reform in previous years. In this update you'll find details about the key announcements affecting your super. And stay tuned – we'll continue to provide you with updates as they come to hand so you and your super stay up to date.

1. **Reduce your tax bill - access your excess contributions**

If you exceed the concessional contributions limit, the excess is normally charged at the top marginal tax rate of 46.5% (including Medicare levy). But changes in this year's budget mean eligible members can make a once-only withdrawal of up to \$10,000 of excess contributions made in the 2011/12 financial year and in later years...[more](#)

2. **Increase your super balance - higher contribution cap for 50 plus**

From 1 July 2012, eligible members aged 50 and over with a super balance of less than \$500,000 will enjoy an annual concessional contributions limit of \$50,000 - \$25,000 more than other workers. The new cap will continue to be indexed to increase by the same dollar amount as the lower, \$25,000 cap...[more](#)

3. **Get money from the government - co-contribution limits unchanged**

There will be no change to the super co-contributions scheme income thresholds in the 2011/12 financial year. The government will continue to match personal super contributions, dollar for dollar, up to \$1,000 for members earning up to \$31,920. This amount is reduced and phased out once a member's income level exceeds \$61,920...[more](#)

4. **Consolidate your super accounts - tax file numbers (TFN) to be used**

From 1 July 2011, super funds will be able to use members' TFNs to help identify duplicate accounts within the fund. From 1 January 2012, this will be extended to assist in the consolidation of duplicate super accounts into one account. This means getting your super together will be easier and you could save in fees by having just one account...[more](#)

5. **Ensure your super's being paid - employer reporting to increase**

From 1 July 2012, any amount paid to your super fund by your employer must be included on your payslip, so you know whether your super is being paid and how much. Super funds will also be required to monitor payments quarterly and advise both employers and members if regular payments cease...[more](#)

6. **Easing the pressure on pension members - reduced withdrawal limits continue**

To ease financial stress and minimise losses incurred during the global financial crisis, the government reduced the minimum amount pension members must withdraw from their accounts. Reductions will continue at a reduced rate of 25% for the 2011/12 financial year then return to the

normal rate in the 2012/13 financial year...[more](#)

Ask an impartial expert - financial advice for members

It's important to get professional, impartial advice on all financial matters that affect you. That's why we give you access to licensed financial advisers from Industry Fund Financial Planning (IFFP AFSL 232514). In fact, as a **HOSTPLUS** member you're entitled to a free fact-finding consultation: reserve yours on **1300 HOSTPLUS (1300 467 375)**...[more](#)



Issued by Host-Plus Pty Limited ABN 79 008 634 704, AFSL No. 244392, RSEL No. L0000093, RSE No. R1000054