Top End of Financial Year strategies

Strategy	Benefits	Does this strategy apply to you?
1. Review your Total Super Balance	Your total super balance on 30 June each year, which includes all funds held in superannuation and pension accounts, can impact your eligibility to a range of concessions such as contribution caps, spouse contributions and Government contributions made on your behalf. Reviewing your total super balance with your adviser before year end may allow you to access these concessions next financial year.	
2. If you have a transition to retirement (TTR) pension and have now met a condition of release, notify your pension fund.	Earnings within a TTR pension are taxed at 15%. As soon as you reach 65 years of age or meet a specified condition of release (eg retirement, permanent incapacity, terminal illness), your TTR pension can become a standard account based pension where all earnings are tax free. If you have met a condition of release during the year, it's important to notify your pension provider immediately.	
3. Make concessional (tax deductible) contributions	If you have the capacity to do so, make additional contributions to super and claim a tax deduction. Everyone eligible to contribute to super can claim a tax deduction for those contributions however, for those aged 67 to 75, a work test must be met. Remember, total tax-deductible contributions including Super Guarantee and salary sacrifice amounts paid by your employer, must not exceed your concessional cap. For many, the concessional cap is $27,500 pa however you may be able to utilise any unused cap since 1 July 2018 if your total super balance is less than $500,000.	
4. Consider making a spouse contribution and obtain a tax saving.	To obtain a tax offset for an eligible spouse contribution, the receiving spouse's income must be below $40,000pa. The maximum $540 tax offset is available where the spouse's income is less than $37,000. To achieve the maximum tax offset this financial year, a spouse contribution of $3,000 would need to be made before 30 June 2023.	

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Strategy		Benefits	Does this strategy apply to you?
5. Consider making an after tax (non-concessional) contribution to receive the Government's co-contribution		The co-contribution scheme is designed to help boost the retirement savings of low income earners. If your income is below set thresholds and you make a personal after tax (non-concessional) contribution to super before 30 June, the Government will contribute up to $500 to your super account. The maximum $500 amount is available if you make a contribution of $1,000 or more and your income is less than $42,016 for the year.	
6. Review personal/ family protection and consider pre-paying income protection premiums		30 June is always a good opportunity to review your current financial health and consider if the insurance strategies you have in place are still appropriate or need adjusting due to your changed circumstances. Pay income protection policy premiums by 30 June 2023 to claim a tax deduction for the premiums in the 2022-2023 financial year.	
7. Utilise the bring forward rules		When making after tax (non-concessional) contributions to super, there is an annual limit of $110,000 that applies. However, you have the ability to use three years of annual cap (i.e. $330,000) in one transaction if you were under 75 years of age at any time during the 2022-23 year. This may be particularly beneficial for those looking to contribute large amounts in super after the sale of a property or receiving an inheritance. Considering what is known as a re-contribution strategy may also be beneficial (speak to your adviser about the re-contribution strategy to see if it's an option for you).	
8. If you are 55 or over and you are planning to sell your home, consider a superannuation contribution		The downsizer contribution rules have been available since 1 July 2018. Those 55 years or over can contribute up to $300,000 into super from the sale proceeds of their home without meeting the work test. To be eligible for this measure, you must have owned your home for 10 years or more.	

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If any of the above strategies apply to you, schedule an appointment with your adviser by contacting our office on 03 6424 1451.

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