

THE FUTURE OF SUPER



PERPETUAL
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Perpetual's Head of Strategic Advice, Colin Lewis, takes you through the Coalition's proposed changes to superannuation. How could they affect you?

KEY CHANGES AT A GLANCE

Based on the Coalition's position leading into the election – subject to change as the shape of the Parliament unfolds and to change during the legislative/negotiation process.

COALITION

Lifetime non-concessional (after-tax) contributions cap

\$500,000 indexed

Concessional (pre-tax) contributions cap lowered to \$25,000 pa – but may be able to carry-forward unused amounts

\$25,000 indexed

Contributions can be made and claimed as a **tax deduction** to age 75 regardless of work status

75

Threshold for additional 15% contributions tax lowered to

\$250,000

Refund of 15% **contributions** tax for those earning less than

15%
\$37,000

Lifetime indexed transfer balance cap from accumulation phase to pension phase

\$1.6 MILLION

'Transition to retirement' pension earnings taxed as if in accumulation phase. No change to tax on withdrawals, tax-free from age 60

15%
UP TO 15% TAX

An eye to the future

Given the potential negotiations required to pass legislation, we will have to wait and see what the final policies are when implemented on 1 July 2017. Whatever the

outcome, it's important to remember the inherent tax advantages mean superannuation will still form an important pillar of retirement planning for many clients, wherever the policy lands. At Perpetual, we're experts in responding to regulatory and market changes to provide advantageous outcomes for our clients. Not just in superannuation, but as part of a comprehensive financial plan to protect and grow wealth.

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