



Spouse contributions

The tax benefits of sharing super and how to start

13 February 2008



Share the benefits

Spouse contributions can have big benefits. For instance, if your spouse is a low income earner or doesn't work, you can earn a tax rebate of up to \$540 a year for contributions you've made on their behalf. It doesn't matter how much you earn. Of course, there's the long term benefit of building a valuable retirement nest egg, too.

Here's how

As a **HOSTPLUS** Executive member it's easy to make and receive spouse contributions.

If your spouse is already a **HOSTPLUS** member you can start making contributions to their account right away, by using the attached contribution slip.

If they're not already a **HOSTPLUS** member but would like to be, they can open a Personal Super Plan. To receive an application just call **1300 HOSTPLUS (1300 467 875)** and request a **HOSTPLUS** Personal Super Plan Product Disclosure Statement or download it from **hostplus.com.au**

If you decide to receive contributions from your spouse, you don't need to do a thing. They can start making deposits to your **HOSTPLUS** Executive account today.

Make contributions any time

Spouse contributions can be made at any time, as long as your spouse is eligible. See the 'Check your eligibility' section in this brochure for details.

To make or receive spouse contributions, simply send a cheque together with a completed spouse contribution slip. There are two attached.

HOSTPLUS Executive contribution slip booklets are also available by ticking the box on the attached contribution slip or calling **1300 799 998**.

Adding up your rebate

The maximum tax rebate you can claim as a contributing spouse is 18% of \$3,000 worth of spouse contributions – a valuable \$540 – if the receiving spouse's assessable income (plus reportable fringe benefits total, if any) is \$10,800 a year or less.

After that, every dollar of the receiving spouse's income over \$10,800 per year reduces the rebate amount. You're not eligible for the rebate if the receiving spouse's assessable income (plus reportable fringe benefits total, if any) is more than \$13,800 a year.

For example

You pay \$3,000 in spouse contributions. Your spouse's assessable income plus reportable fringe benefits is \$12,800. To find out your rebate, follow these simple steps.

- Calculate the difference between your spouse's total income and the low income benchmark:
$$\$12,800 - \$10,800 = \$2,000$$
- Deduct the difference from the spouse contributions you have paid:
$$\$3,000 - \$2,000 = \$1,000$$
- Multiply this amount by 18%:
$$\$1,000 \times 18\% = \$180$$

Your contributing spouse tax rebate is \$180. For more information about spouse contributions and tax, visit the Australian Taxation Office at www.ato.gov.au/super or call their Super Helpline on 13 10 20.

All spouse contributions are preserved

Government regulations stipulate spouse contributions must be kept in a superannuation fund until the relevant age below.

- Age 65 for spouses who have never worked in Australia.

A benefit can be paid due to death, financial hardship or compassionate grounds if legislative guidelines are met.

- Preservation age for spouses who have worked at least 10 hours in any given week in their life in Australia.

Preservation age is a scale that determines when you can receive your retirement benefit. Preservation age is 55 for people born before 1 July 1960, increasing to 60 for people born after 30 June 1964.

A benefit may be released under certain conditions including retirement, total and permanent incapacity, death, financial hardship or compassionate grounds.

Frequently asked questions

- Q.** Can I use my employer contributions or salary sacrifice to make contributions into my spouse's account to be eligible for the tax rebate?
- A.** No. To be eligible for the tax rebate, spouse contributions can only be made from income that has already been taxed. Therefore, you cannot use employer contributions or salary sacrifice to make contributions into your spouse's account.

Q. Can I roll over my account into my spouse's account?

A. No. Any amount you roll over from another fund must be transferred into an account in the same name. Likewise, your spouse can roll over money held in another fund in their name into their **HOSTPLUS** account.

Q. Is there a limit on spouse contributions?

A. Yes. There is an annual limit of \$150,000 (or \$450,000 averaged over three years for spouses under 65 years of age). This applies to all non-concessional (after tax) contributions that are made to their super. For spouses aged between 65 and 70, they need to have worked at least 40 hours within 30 consecutive days in the financial year to have a contribution made on their behalf. There is however, a limit on the tax rebate you may be eligible to receive. You may wish to speak to a licensed financial planner to decide an appropriate level of spouse contributions.

Q. Are spouse contributions taxed?

A. No. Unless your spouse contributions exceed the above limits, then they may be taxed up to 46.5%. For more information about spouse contributions and tax, visit the Australian Taxation Office at www.ato.gov.au/super or call their Super Helpline on 13 10 20.

Check your eligibility

You can make contributions for your married or de facto partner as long as you are living together and you are both Australian residents. A de facto spouse is one who lives with the tax payer on a genuine domestic basis as the partner of the tax payer.

Government regulations don't allow spouse contributions if you are your spouse's employer, same sex partners or a couple living apart. If you stop living with your spouse, you're not eligible to continue making spouse contributions, even if you're separated but remain legally married.

The receiving spouse must be under 70 years of age and work at least 40 hours in 30 consecutive days during the financial year in which the spouse contribution is made. If under 65, they do not need to work.

Each time you make a spouse contribution, you must confirm that you and your partner are still living together and you still meet the eligibility criteria.

We're here to help

If you have any questions about making spouse contributions, simply contact **HOSTPLUS** Executive. Just call **1300 799 998**, 8am – 8pm, Monday to Friday, email info@mail.hostplusexecutive.com.au or visit hostplusexecutive.com.au

How to make a spouse contribution

- Step 1:** Fill in the front of this spouse contribution slip.
- Step 2:** Complete a cheque for the contribution amount and write the receiving spouse's **HOSTPLUS** membership number on the back.
- Step 3:** Send your completed slip and cheque to:

HOSTPLUS Executive
Reply Paid 83142
Carlton South VIC 3053

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Spouse contribution slip

Please fill in this form if you wish to make a contribution on behalf of your spouse into their HOSTPLUS account or if they are contributing to your HOSTPLUS account. Please ensure you read the requirements for spouse contributions before signing the declaration below.



Receiving spouse's details

Membership number

Surname

Given name/s

Date of birth

DD / MM / YY

Yes, please send me a contribution slip booklet.

Address

<input type="text"/>		
<input type="text"/>		<input type="text"/>
	State	Postcode

Phone number (business hours)

Email address

Contributing spouse's details

Surname

Given name/s

Date of birth

DD / MM / YY

Declaration

As the contributing spouse I confirm that: 1. I am currently living with my spouse, 2. My spouse and I are Australian residents, 3. I am not my spouse's employer, and 4. My spouse is under age 70, and if between 65 and 70 satisfies the work requirements listed on the inside of this brochure.

Signature

Date

DD / MM / YY

Amount of contribution

Please make cheque payable to 'HOSTPLUS'.

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

Office use only Cheque details:

Payment date:

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<input type="text"/>		
<input type="text"/>		<input type="text"/>
	State	Postcode

Phone number (business hours)

Email address

Contributing spouse's details

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