



Employer Update

May 2015

New superannuation thresholds

Each year a number of superannuation thresholds are changed to reflect movements in full-time Average Weekly Ordinary Time Earnings (AWOTE). The thresholds for the 2015/16 year have recently been updated by the ATO.

Importantly, the concessional and non-concessional contribution caps will remain unchanged.

2015/16 Superannuation thresholds

Threshold	Existing 2014/15	New 2015/16
Tax-free part of genuine redundancy and early retirement scheme payments (per payment)		
- Base limit	\$9,514	\$9,780
- Plus, for each completed year of service	\$4,758	\$4,891
Superannuation Guarantee (SG) remains at 9.5% with maximum contribution base (per quarter)	\$49,430	\$50,810
Co-contribution ¹ (per annum)		
- Lower income threshold	\$34,488	\$35,454
- Higher income threshold	\$49,488	\$50,454
Standard Concessional contributions cap (per annum)	\$30,000	\$30,000
Temporary (higher) concessional contributions cap ² (per annum) for 2015/16 for people age 49 and over on 30 June 2015	\$35,000	\$35,000

Threshold (Continued)	Existing 2014/15	New 2015/16
Non-concessional contributions cap – No change		
– Standard (per annum)	\$180,000	\$180,000
– Bring forward (over 3 years) ³	\$540,000	\$540,000
Low rate cap amount	\$185,000	\$195,000
<i>(Applies to the taxable component of taxed super fund lump sum benefits for members aged from preservation age to 59)</i>		
Untaxed plan cap amount	\$1,355,000	\$1,395,000
<i>(Applies to the taxable component of untaxed super fund lump sum benefits)</i>		
Employment termination payment cap (per annum)	\$185,000	\$195,000
CGT cap amount (lifetime limit)	\$1,355,000	\$1,395,000
Minimum annual payments for super income streams – No change		
Under age 65	4%	4%
Age 65 – 74	5%	5%
Age 75 – 79	6%	6%
Age 80 – 84	7%	7%
Age 85 – 89	9%	9%
Age 90 – 94	11%	11%
Age 95+	14%	14%

Notes

¹ The maximum entitlement remains at \$500 and applies where at least \$1,000 non-concessional contributions have been made in the financial year and the person does not exceed the lower income threshold.

The Low income superannuation contribution (LISC) of up to \$500 annually, applicable to concessional contributions, continues to be available to persons on adjusted taxable incomes of up to \$37,000 for contributions up to 30 June 2017.

² The temporary higher cap is not indexed and will cease when the standard concessional contributions cap is indexed to \$35,000.

³ If an individual has triggered the bring forward rule prior to the 2014/15 financial year, the \$450,000 non-concessional contributions cap will continue to apply until the expiry of the individual's bring forward period.

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