



Thinking about Super?

Think ahead

It's never too early to start thinking about superannuation. Whether you're starting your first job, getting a new job, or are new to Australia, it pays to know how super works for you. This fact sheet gives you a rundown of what super is, how it works, and how you can make the most of your membership with us.

mtaasuper.com.au
1300 362 415

What is super?

Super is a way of saving for your retirement. It's a form of compulsory savings. For most people, under the Government's superannuation guarantee (SG) legislation, a percentage of your earnings (currently 9.5%) is paid by your employer into a super fund on your behalf.

Throughout your working life, these contributions add up (or 'accumulate') and are invested by your super provider, so your super continues to grow over time.

Who gets super?

Your employer must pay super contributions on your behalf if you are:

- aged 18 or over, and
- work full time, part time or casual, and
- earn \$450 or more (before tax) in a calendar month

OR

- aged under 18 years, and
- earn \$450 or more (before tax) in a calendar month, and
- work 30 hours or more in a week

How do I choose a super fund?

You can let your employer know which super fund you want to join by filling out a *Standard Choice Form*. Your employer will give this to you when you start work with them.

Most people can choose which super fund to join. If you are not sure if you can choose, check with your employer. If you can choose your super fund, but elect not to, your employer will choose a fund for you (usually a default fund).

To make MTAA Super your fund of choice, fill out a *Notification to Employer: Choice of Fund* form available at mtaasuper.com.au/forms and hand it to your employer.

What happens if I change jobs?

Changing jobs doesn't mean you have to change super funds. Most employers let you choose your fund, which means you may stay with MTAA Super if you get a job with a new employer. All you need to do is ask your new employer to make your superannuation guarantee payments into your MTAA Super account.

Thinking about Super?

mtaasuper.com.au
1300 362 415

Our Digital Member Card (available at mtaasuper.com.au/dmc for your smartphone or mobile device) gives you all the details they need. Alternatively, you can use the pre-populated *Notification to Employer: Choice of Fund* form available at mtaasuper.com.au/member-forms

Consolidating your super accounts

If you've had more than one job, it's possible you have more than one super account. Consolidating your super into a single account can save on unnecessary fees and will make it easier to keep track of your super savings in the future.

We can help you find your super (including any lost super) and consolidate it into your MTAA Super account. Login or register for Member SuperSite or call us on **1300 362 415**.

Providing your Tax File Number (TFN)

When you join a super fund, you will be asked to give your TFN. You are not obliged to give your TFN, but if you don't, your contributions will be taxed at the highest marginal tax rate plus applicable levies. This includes applicable levies. You also won't be able to make any personal contributions from your after-tax income and may pay more tax when your super benefit is paid to you.

Your super is in your hands

You can choose how your super is invested. In fact, the way you invest your super now, can make a big impact later. It's worth looking into our eight investment options – which you can switch between at any time. If you don't choose an option, we'll invest your super for you in our

My AutoSuper (Balanced) option. For more details see our fact sheet, *Switching Investments*, and the MTAA Super *Member Product Disclosure Statement* available at mtaasuper.com.au.

Nominating a beneficiary

Your super and any life insurance cover you have doesn't automatically form part of your estate when you die. This is why you should nominate beneficiaries when you join a super fund.

A beneficiary is the person you would like to receive your super when you die. You can only nominate a dependant* or legal personal representative of your estate.

There are two types of beneficiary nominations you can make:

Non-binding beneficiary

When you make a non-binding beneficiary nomination, you are telling the super fund Trustee who you would prefer to receive your benefit when you die. A non-binding nomination is not legally binding. The Trustee will take your nomination into account, but they have the final say over how to pay your benefit.

Binding beneficiary

With a binding beneficiary nomination, you give formal, written direction to the Trustee telling them who you want your benefit paid to when you die. If your nomination is valid, it is legally binding. The Trustee must pay your benefit as instructed on the nomination form.

To make a binding nomination for your MTAA Super account, use the *Binding Death Benefit* nomination form at mtaasuper.com.au/member-forms

*Your dependants include a spouse (legal or de facto), a child and any other person who is financially dependent on you or with whom you are in an interdependency relationship.

This document is issued by Motor Trades Association of Australia Superannuation Fund Pty. Limited (ABN 14 008 650 628, AFSL 238 718) of Level 3, 39 Brisbane Avenue Barton ACT 2600, Trustee of the MTAA Superannuation Fund (ABN 74 559 365 913). Motor Trades Association of Australia Superannuation Fund Pty. Limited has ownership interests in Industry Super Holdings Pty Ltd and Members Equity Bank Limited.

The information provided is of a general nature and does not take into account your specific needs or personal situation. You should assess your financial position and personal objectives before making any decision based on this information. We also recommend that you seek advice from a licensed financial adviser. The MTAA Super *Product Disclosure Statement* (PDS), an important document containing all the information you need to make a decision about MTAA Super, can be obtained by calling MTAA Super on **1300 362 415**. You should consider the PDS in making a decision.

A smarter way to save

Super is a tax-effective way to save for retirement. Before-tax super contributions are taxed at 15%, which is generally less than your marginal tax rate.

Boosting your super

You can boost your super by making voluntary personal contributions. You can sacrifice some of your salary (a before-tax arrangement with your employer to pay more than the SG contributions into your super), or make personal, after-tax contributions.

Making extra contributions can have a big impact on your final super balance. Even putting as little as an extra \$10 per week into your super can add thousands to your final super balance when you retire.

Before-tax contributions

Contributions made from your before-tax income are called concessional contributions. They include SG and salary sacrifice contributions.

After-tax contributions

Contributions made from after-tax income are called non-concessional contributions. They include voluntary member contributions and spouse contributions.

Contributions caps

There are limits to the amount of contributions you can pay into super each year. These are known as contributions caps.

Your concessional (before-tax) contributions cap is \$25,000.

Your non-concessional (after-tax) contributions cap is \$100,000.

If you make contributions above these caps, you may have to pay extra tax.

Government contributions

When it comes to super every dollar counts. A little boost from the Government can make a big difference. If you are a low-income earner, you may be eligible for the Low Income Superannuation Tax Offset (LISTO), the super co-contribution, or both.

What is LISTO?

If your adjusted taxable income is \$37,000 or less a year, the Government will pay up to \$500 into your super. The amount will be 15% of the concessional contributions you and/or your employer have made. It will be paid directly into your super account the following year. You don't need to do anything.

What is the super co-contribution?

The Government will also contribute up to \$500 into your super if you:

- earn less than \$54,837 a year, and
- meet the eligibility conditions, and
- make a personal (after-tax) contribution into your super account.

.....
If your total super balance exceeds the Transfer Balance Cap (currently \$1.6 million), or if you have contributed an amount more than your non-concessional contribution cap for the relevant financial year, you will not be eligible to receive the government co-contribution.
.....

Read more about the contributions at mtaasuper.com.au/fact-sheets

Accessing your super

Super is all about saving for your retirement. Generally, you can't access your super until you reach your 'preservation age'. Your preservation age is between 55 and 60, depending on your date of birth (see the table below).

Date of birth	Preservation age
Before 1 July 1960	55 years
1 July 1960 to 30 June 1961	56 years
1 July 1961 to 30 June 1962	57 years
1 July 1962 to 30 June 1963	58 years
1 July 1963 to 30 June 1964	59 years
After 30 June 1964	60 years

For more information, please visit our website at mtaasuper.com.au. You can also call us on **1300 362 415**. We're here to help.