

# Government (super) co-contributions

**Military Super**

AFSL: 238395  
ABN: 50 925 523 120  
Board ABN: 72 406 779 248

MS14 - April 2008

## What are Government (super) co-contributions?

Government co-contributions (also called Super co-contributions) are an additional contribution from the Australian Government to assist eligible individuals to save for their retirement.

## Am I eligible?

The Australian Tax Office (ATO) will determine your eligibility to receive a co-contribution. Generally, you will be eligible if:

- your gross annual income, made up of your assessable income plus reportable fringe benefits, is less than the limit set by the government (indexed each year)
- you lodge an income tax return
- you are under age 71.

You do not need to apply for co-contributions. Each year after you have lodged your income tax return, the ATO will advise you and our administrator, ComSuper, of your co-contribution amount if you are eligible.

Government co-contributions will not be included in the contribution caps introduced on 1 July 2007 and will be tax free when you withdraw your benefit.

## What if I'm on LWOP?

You are still regarded as a contributing Member during periods of LWOP. However, the amount of co-contributions is based on the amount you actually contribute during a financial year. If you don't pay contributions during LWOP or any other period, your co-contribution amount will be less than what it otherwise would have been. If you defer your contributions, they will only be taken into account in the financial year you actually pay them.

## How are co-contributions calculated?

The ATO has produced a brochure explaining how co-contributions are calculated. The brochure, and a handy calculator, is available on the ATO website at [www.ato.gov.au/super/](http://www.ato.gov.au/super/)

## How are they invested?

These contributions are held within your MilitarySuper account and are invested in the same strategy or combination of strategies as your regular Member contributions. Changes in your Investment Strategy automatically include your co-contributions.

## What do I get?

You will get another benefit in addition to your MilitarySuper benefit. This benefit is only payable as a lump sum, not as a pension.

The benefit comprises the co-contributions received on your behalf and Fund investment returns.

Investment returns may be negative from time to time and as a consequence the value of the benefit will rise and fall. It is therefore possible that the benefit might be less than the amount you contributed, particularly over a shorter term.

The benefit is not subject to tax when it becomes payable.

## When can I get the benefit?

Generally, the benefit cannot be paid until you permanently retire from the workforce after reaching your preservation age. This may be different to the date you can claim your MilitarySuper benefit.

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Your preservation age is based on your date of birth, as shown in the following table:

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

All or part of the benefit may be paid to you earlier, provided you have left the Defence Force:

- if you become totally and permanently incapacitated
- on severe financial hardship grounds
- on compassionate grounds.

You can also claim the benefit if you cease or change employment after reaching age 60. The benefit must be paid out when you reach age 65.

In the event of your death, the benefit will be paid to:

- your dependants, or
- a dependent person(s) you nominated in writing and included in your Will, or
- your Estate.

## Can I rollover the benefit?

You can rollover the benefit at any time, even before you leave the Defence Force. Note that access to the benefit from the rollover institution will be subject to the same preservation conditions as outlined above.

## What else could I pay?

There is a range of voluntary contributions (collectively called 'Ancillary Contributions') you can now pay. Separate fact sheets are also available for:

- Additional Personal Contributions
- Salary Sacrifice Contributions
- Transfer Amounts
- Spouse Contributions.

## Does this count towards my Maximum Benefit Limit (MBL)?

It should be noted that none of the various Ancillary Benefits are used when assessing the MBL under the MSB legislation.

## If you need more information ...

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### Note: This document contains general advice or information only

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Customer Service Centre  
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# FACT SHEET