



## IMPORTANT INFORMATION ABOUT MAKING CONTRIBUTIONS ON BEHALF OF A SPOUSE

1. Contributions can be made into Club Super for a spouse, even if that spouse is not employed\*.
2. Spouse contributions are classified as 'non-concessional contributions', which are capped at \$150,000 from 1 July 2009. In future, the cap will be set at 6 times the concessional contributions cap. Please refer to *Additional Information - How super works* available on [www.clubsuper.com.au](http://www.clubsuper.com.au) for further details. Club Super will need the spouse's Tax File Number (TFN) in order to accept spouse contributions. This should be collected on the Spouse Member Application form. (Note: if we receive a contribution from the contributing spouse and no TFN is held, we will refund the contribution).
3. In some circumstances, a tax offset is allowed on contributions paid on behalf of a spouse. A tax offset of up to \$540 is available for up to \$3,000 of superannuation contributions made by a tax payer on behalf of a non-working or low income spouse. However, you need to meet all of the eligibility criteria set out below.

The offset is available to a person who makes spouse contributions where:

- the person has a spouse;
- the person makes after-tax (i.e. not salary sacrifice) contributions on behalf of his/her spouse (whether the spouse is gainfully employed or not);
- the contributions are not tax deductible for the person contributing;
- both the person contributing and the spouse are Australian residents when the contributions are made;
- at the time of making the contributions you and your spouse were not living separately and apart on a permanent basis, and
- the spouse's assessable income\* is less than \$13,800 p.a.

\* Income is defined as assessable income plus reportable fringe benefits plus, from 1/07/2009, reportable employer superannuation contributions (RESC). RESC is generally superannuation contributions which you have asked your employer to make as salary sacrifice (before tax) or additional employer contributions (in addition to Superannuation Guarantee or award contributions) paid on your behalf as part of a remuneration package. Consult your employer to identify the likely RESC for the financial year.

Please note: if the tax offset is not available, a contribution can still be made.

Criteria for the contributing spouse:

- can be any age;
- must be an Australian resident; and
- must be receiving assessable income (from any source).

Criteria for the receiving spouse:

- must be an Australian resident; and
- does not need to have ever been gainfully employed if under the age of 65 when the contribution is received; or
- if aged between 65-69 must be gainfully employed on a part-time basis (the spouse member must have worked for at least 40 hours in a period of not more than 30 consecutive days in the financial year in which the contribution is made for the spouse. Note the member is not able to make a spouse contribution if the recipient is aged 70 or over).

4. 'Spouse' includes (a) another person (whether of the same sex or a different sex) with whom the person is in a relationship that is registered under a law of a State or Territory, and (b) another person (whether of the same sex or a different sex) who, although not legally married to the person, lives with the person on a genuine domestic basis in a relationship as a couple.
5. Spouse contributions must be preserved as follows:
  - if the receiving spouse has never been employed before turning age 65 then any benefits arising from the spouse contributions are preserved until age 65; or
  - if the receiving spouse has been employed, then benefits arising from spouse contributions are preserved until the receiving spouse reaches their preservation age\* and permanently retires; or
  - until the receiving spouse satisfies a "condition of release".\*
6. Contributions made for a receiving spouse are fully vested on behalf of that spouse. This means that the Fund cannot refund the money back to the contributing spouse.
7. Spouse Contributions are treated as follows:
  - tax free when withdrawn (but interest earned on these amounts may be taxed);
  - not subject to 15% contributions tax;

<sup>1</sup> In most instances. \*Please refer to the latest Club Super Product Disclosure Statement (PDS) available at [www.clubsuper.com.au](http://www.clubsuper.com.au) for further information.