

Adding a little extra to your super now, can make a big difference in the future. For most Australians, relying solely on employer contributions may afford you a fairly modest lifestyle in retirement<sup>1</sup>. By adding extra to your super now, you can close the gap in your retirement savings and enjoy a more comfortable retirement.

### Modest vs comfortable

It is important to understand the difference between 'comfortable' and 'modest' when planning for your retirement. A comfortable retirement means being able to afford private health insurance, internet at home, running your car and a few luxuries like dining out. A modest retirement would mean having to reduce your current standard of living.

ASFA has produced the below table<sup>2</sup> for retirees aged around 65, showing the expected lifestyles for a comfortable retirement, modest retirement and retirement relying on the Age Pension alone.

Please note: this table is current as at March 2018. These figures are reviewed quarterly, to adjust for increases such as utility bills, food and lifestyle expectations. To view ASFA's most recent 'Retirement Standard', visit [superannuation.asn.au/resources/retirement-standard](http://superannuation.asn.au/resources/retirement-standard).

	Comfortable retirement <sup>3</sup>	Modest retirement <sup>3</sup>	Age Pension
<b>Single</b>	<b>\$42,764</b> a year	<b>\$27,368</b> a year	<b>\$21,222</b> a year <sup>4</sup>
<b>Couple</b>	<b>\$60,264</b> a year	<b>\$39,353</b> a year	<b>\$31,995</b> a year <sup>4</sup>
	Replace kitchen and bathroom over 20 years	No budget for home improvements. Can do repairs, but can't replace kitchen or bathroom	No budget to fix home problems like a leaky roof
	Better quality and larger number of household items and appliances and higher cost hairdressing	Limited number of household items and appliances and budget haircuts	Less frequent hair cuts or getting a friend to cut your hair
	Can run air conditioning	Need to watch utility costs	Less heating in winter
	Restaurant dining, good range & quality of food	Take out and occasional cheap restaurants	Only club special meals or inexpensive takeaway
	Fast internet connection, big data allowance and large talk and text allowance	Limited talk and text, modest internet data allowance	Very basic phone and internet package
	Good clothes	Reasonable clothes	Basic clothes
	Domestic and occasional overseas holidays	One holiday in Australia or a few short breaks	Even shorter breaks or day trips in your own city
	Top level private health insurance	Basic private health insurance, limited gap payments	No private health insurance
	Owning a reasonable car	Owning a cheaper more basic car	No car or, if you have a car, it will be a struggle to afford repairs
	Take part in a range of regular leisure activities	One leisure activity infrequently, some trips to the cinema or the like	Only taking part in no cost or very low cost leisure activities. Rare trips to the cinema

<sup>1</sup> Association of Superannuation Funds of Australia, Retirement Standard, March quarter 2018.

<sup>2</sup> Source: <http://www.superguru.com.au/retiring/how-much-super-will-i-need>.

<sup>3</sup> Both budgets assume that retirees own their own home outright and are relatively healthy.

<sup>4</sup> Base rate before payment of supplements.

## Personal contributions

Personal contributions are the contributions that you choose to make, in addition to the contributions made by your employer. By regularly making extra contributions, you are more likely to be able to afford a comfortable lifestyle in retirement. There are two types of personal contributions, before-tax (concessional) and after-tax (non-concessional).

### Before-tax contributions

You can make extra contributions to your super from your before-tax income. This is commonly referred to as salary sacrificing. The money you 'sacrifice' is deducted directly from your salary into your super account before you pay income tax. These extra contributions reduce your taxable income, which means you pay less income tax and could even place your salary into a lower tax bracket.

For more information, read the '**Salary sacrifice**' fact sheet relevant to your scheme, available at [gesb.wa.gov.au/factsheets](https://gesb.wa.gov.au/factsheets).

#### How to make a before-tax contribution

- Complete the attached '**Payroll deduction**' form and give it to your payroll department at work
- Contributions will be deducted from your pay and will be reported on your annual PAYG payment summary as reportable employer super contributions. You can adjust the amount or even stop payments at any time if your circumstances change, just let your employer know.
- Generally, before-tax contributions can only be made to GESB by current WA public sector employees.

### After-tax contributions

You can make contributions to your super account from your after-tax income (take-home pay). These after-tax contributions can be small, regular amounts or larger one-off payments, such as money from an inheritance, lotto winnings or proceeds of asset sales.

Making after-tax contributions can be a good option if you are eligible to receive a super co-contribution from the government. For more information, read the '**Commonwealth Government Super Co-contribution**' fact sheet, available at [gesb.wa.gov.au/factsheets](https://gesb.wa.gov.au/factsheets).

For more information read the '**Contributing to your super**' brochure, available at [gesb.wa.gov.au/brochures](https://gesb.wa.gov.au/brochures).

#### How to make an after-tax contribution

- Complete the attached '**Payroll deduction**' form and select the after-tax option at Step 2. Provide the completed form to your payroll department at work, and they will redirect your chosen amount from your pay to your super account instead
  - Do-it-yourself
- If you'd like to organise an after-tax contribution by yourself, you have two options:
1. BPAY® – make contributions of \$20 or more directly from your bank account using BPAY. To find your unique reference details for the transaction, log in to Member Online and follow the links. There is no need to fill out a form.
  2. Send a cheque or money order – fill out the attached '**Super contributions**' form, and send it to GESB along with your cheque or money order.

You can use the 'Retirement planning calculator' at [gesb.wa.gov.au/calculators](https://gesb.wa.gov.au/calculators) to see the impact making additional contributions may have on your super.

## Other things you need to know about super contributions

### Contribution caps

Limits apply to contributions to super. For more information, read the '**Contributing to your super**' brochure available at [gesb.wa.gov.au/brochures](https://gesb.wa.gov.au/brochures).

### Tax file number

Without your tax file number (TFN), we may not be able to accept your contributions and you may have to pay more tax on your super than is necessary.

If you have not provided us with your TFN, log in to Member Online or call your Member Services Centre on 13 43 72 for a form.

## Fees

There are no fees for making contributions.

## Investing your contributions

Your contributions will be invested in the investment plan you have already chosen. If you haven't previously selected an investment plan, all your money will be invested in your scheme's default plan.

You can change your investment plan at any time by using Member Online or completing the relevant '**Investment choice**' form, available at [gesb.wa.gov.au/forms](http://gesb.wa.gov.au/forms).

To find out more information on the investment options available to you, read the '**Investment choice**' brochure and the relevant '**Product Information Booklet**', available at [gesb.wa.gov.au/brochures](http://gesb.wa.gov.au/brochures).

## West State Super members

Please note: due to Federal Government changes to the rules relating to super, members will no longer be allowed to claim a tax deduction for personal contributions received after 30 June 2017 to a West State Super account.

If you joined West State Super before 30 June 2001 and plan on making a voluntary contribution, contact your Member Services Centre on 13 43 72 to check if your guaranteed benefit exceeds your current account balance. Your overall benefit may be adversely affected in some circumstances.

## Gold State Super and Pension Scheme members

Your contributions will be invested in your existing GESB Super or West State Super account. If you don't have one of these accounts, a GESB Super account will be opened for you when we receive your first contribution.

## First Home Super Saver (FHSS) scheme

The First Home Super Saver (FHSS) scheme was announced in the May 2017 Federal Budget, as an initiative by the Commonwealth Government to help Australians aged 18 years or older, save for their first home<sup>5</sup>.

From 1 July 2018, if you are a GESB Super member and meet certain eligibility requirements, you can apply to withdraw voluntary contributions made after 1 July 2017 (and the associated earnings) to use towards the purchase or construction of your first home.

This includes:

- **Voluntary concessional contributions** - including salary sacrifice amounts or contributions for which a tax deduction has been claimed
- **Voluntary non-concessional contributions you have made** - these are made after tax or where a tax deduction has not been claimed

As West State Super and Gold State Super are constitutionally protected funds, contributions made to these schemes are not eligible for the FHSS scheme.

The FHSS scheme is administered by the Australian Tax Office (ATO) who will assess your eligibility for the scheme. You can apply to access the FHSS scheme using your myGov account.

To apply you will need to request a FHSS scheme determination from the ATO which will set out the value of the maximum amount you can withdraw from your GESB Super account under the FHSS scheme. Once you have an FHSS determination you can request that the ATO issue an FHSS release authority to GESB specifying the amount you would like to withdraw. When we receive the FHSS release authority from the ATO we will then pay the specified amount to the ATO, who will then pay it to you.

Additional rules apply to the FHSS scheme, for more information, please visit the ATO's website at [ato.gov.au](http://ato.gov.au).

## Downsizing contributions

The 'Contributing the proceeds of downsizing into superannuation' (downsizing) measure was announced in the May 2017 Federal Budget as one of the reforms introduced by the Australian Government to reduce pressure on housing affordability in Australia.

From 1 July 2018, if you're age 65 or over and meet certain eligibility requirements, you can contribute up to \$300,000 from the sale of your family home into your super account.

This contribution doesn't count towards your contribution caps and you also won't be required to satisfy the work test that is normally required for people aged 65 who are contributing to their super.

You may be eligible to contribute up to \$300,000 as an individual, or up to \$600,000 as a couple (if both parties in the couple had an ownership interest in the home).

GESB Super and West State Super can both receive these contributions.

Additional rules apply to the downsizing measures, for more information, please visit the ATO's website at [ato.gov.au](http://ato.gov.au).

<sup>5</sup> If you lost ownership of your first home due to financial hardship you may be able to apply to the ATO to use the FHSS scheme to help you purchase or construct a home which is not your first home. See the ATO website at [ato.gov.au](http://ato.gov.au) for details.

Disclaimer: the information contained in this fact sheet is of a general nature, and does not constitute legal, taxation or personal financial advice. In providing this information, we have not taken into account your investment objectives, financial situation or needs. We are not licensed to provide financial product advice. Before acting or relying on any of the information in this document, you should read this fact sheet in conjunction with the relevant Product Information Booklet and disclosure documents at [gesb.wa.gov.au/brochures](http://gesb.wa.gov.au/brochures), and consider whether the information is appropriate for you. You may also wish to consult a suitably qualified adviser to assist you.

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 **How to contact us**

**T** Member Services Centre 13 43 72  
PO Box J 755, Perth WA 6842

**F** 1800 300 067

**W** [gesb.wa.gov.au](http://gesb.wa.gov.au)

Use this form to make an after-tax personal contribution by cheque or money order.

If you intend to claim a tax deduction on these contributions, do not complete this form. You should instead complete the **'Notice of intent to claim or vary a tax deduction'** form, available from [gesb.wa.gov.au/forms](http://gesb.wa.gov.au/forms) or by calling your Member Services Centre on 13 43 72.

To make **Downsizing contributions**, please visit the ATO for a copy of their form at [ato.gov.au](http://ato.gov.au).

Please note: due to Federal Government changes to the rules relating to super, members will no longer be allowed to claim a tax deduction for personal contributions received after 30 June 2017 to a West State Super account.

### Step 1 Your details

GESB member number

Mr  Mrs  Miss  Ms  Other

Surname (family name)

Given name(s)

Date of birth  /  /  Male  Female

Postal address

Postcode

Email address

Telephone – home

 ( ) 

Telephone – work

 ( ) 

### Step 2 Tax file number (TFN)

If you have not already provided your TFN to GESB, log in to Member Online or call your Member Services Centre for a form. You must provide your TFN to be eligible to make after-tax contributions.

### Step 3 Nominate your account

the account where you would like your contribution deposited into.

GESB Super  West State Super

If you are a Gold State Super member and do not have an existing West State Super or GESB Super account, a GESB Super account will be opened for you.

Refer to the **'Contributing to your super'** brochure for more information, available from [gesb.wa.gov.au/brochures](http://gesb.wa.gov.au/brochures).

### Step 4 Attach your cheque or money order

I would like to make an after-tax contribution via cheque or money order for \$  amount.

A cheque or money order payable to GESB must accompany this form.

### Step 5 Eligibility to contribute

To be able to make contributions, you must meet one of the eligibility criteria under super laws. To confirm that you are eligible to contribute,  the box below that describes your circumstances.

I am under the age of 65

I am age 65 or over but not age 75, and I have worked at least 40 hours in a period of 30 consecutive days in the current financial year

If you wish to use the Downsizer measures to make a contribution into superannuation please use the Downsizer contributions form available from the ATO website: [ato.gov.au](http://ato.gov.au).

### Step 6 Declaration and signature

When making my contributions and in signing this form, I confirm that:

- I understand that the contribution will be allocated to my eligible GESB account and invested in my nominated investment plan. If I have not nominated an investment plan, my contribution will be invested in the default investment plan for my scheme
- I have read the relevant **'Product Information Booklet'** and the **'Super contributions'** fact sheet and I understand that they contain general information only and do not take into account my investment objectives, financial situation or needs
- I understand that any contributions are subject to rules and conditions of release, including preservation standards (see the relevant **'Product Information Booklet'**)

Your signature

Date

 /  / 

Send your completed form and cheque or money order to:

**GESB**  
**PO Box J 755**  
**Perth WA 6842**



Use this form to make contributions to your super through your payroll. Complete the form and give it to your payroll department at work.

### Step 1 Your details

Surname (family name)

Given name(s)

Date of birth

Payroll number (if known)

### Step 2 Contribution amount from your pay

Before-tax

(Salary sacrifice) \$  OR  % each pay

AND/OR

After-tax \$  OR  % each pay

Check with your employer's payroll office to ensure you are able to select a percentage.

### Step 3 Eligibility to contribute

To be able to make contributions, you must meet one of the eligibility criteria under super laws. To confirm that you are eligible to contribute, ✓ the box below that describes your circumstances.

- I am under the age of 65
- I am age 65 or over but not age 75, and I have worked at least 40 hours in a period of 30 consecutive days in the current financial year

### Step 4 Nominate your account

✓ the account where you would like your contribution deposited into.

GESB Super  West State Super

If you are a Gold State Super member and do not have an existing West State Super or GESB Super account, a GESB Super account will be opened for you.

### Step 5 Declaration and signature

- I understand the conditions that apply to contributions to my super account
- I am currently employed in the WA public sector
- I have received financial advice on my proposed salary packaging arrangements if I have chosen to salary sacrifice more than 50% of my total employment cost<sup>1</sup> to super

Your signature

Date

### Step 6 Give this form to employer's payroll office

GESB is unable to process this form for you.

### Important

Refer to the 'Contributing to your super' brochure for more information, available from [gesb.wa.gov.au/brochures](http://gesb.wa.gov.au/brochures).

<sup>1</sup> Your total employment cost is made up of your base salary, other cash allowances, non cash benefits, any fringe benefits tax liabilities currently paid by your employer and any variable components. You should talk to your employer if you need to confirm the value of your total employment cost.

Disclaimer: the information contained in this form is of a general nature, and does not constitute legal, taxation or personal financial advice. In providing this information, we have not taken into account your investment objectives, financial situation or needs. We are not licensed to provide financial product advice. Before acting or relying on any of the information in this form, you should read this form in conjunction with the relevant Product Information Booklet and disclosure documents at [gesb.wa.gov.au/brochures](http://gesb.wa.gov.au/brochures), and consider whether the information is appropriate for you. You may also wish to consult a suitably qualified adviser to assist you.