Make the most of your super today

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Find out why making non-concessional contributions now can boost your super long term

In November last year, Federal Treasurer Scott Morrison tabled final legislation in parliament to explain how he intends to implement the complex new super reform package. This legislation also highlights some options to consider as you plan for retirement under the new rules.

Of greatest significance is the clarity around revised non-concessional contributions (after-tax super contributions). Prior to 30 June 2017, the pre-budget rules will apply, affording many people one final opportunity to make a non-concessional contribution to super.

There's more flexibility to contribute this financial year under the revised super proposal

With the annual pre-budget contribution limit of $180,000 restored for this current financial year, and up to $540,000 available under the three-year bring forward provision, it's important to consider your situation now, because commencing 1 July 2017 not only do limits decrease, but if you have more than $1.6 million in total super, you won't be able to make non-concessional contributions at all.

From 1 July 2017, annual contribution allowances will be capped at $100,000, and if you're under 65, the three-year bring forward provision contribution falls to a maximum of $300,000.

If you weren't planning extra super contributions, now is the time to reconsider

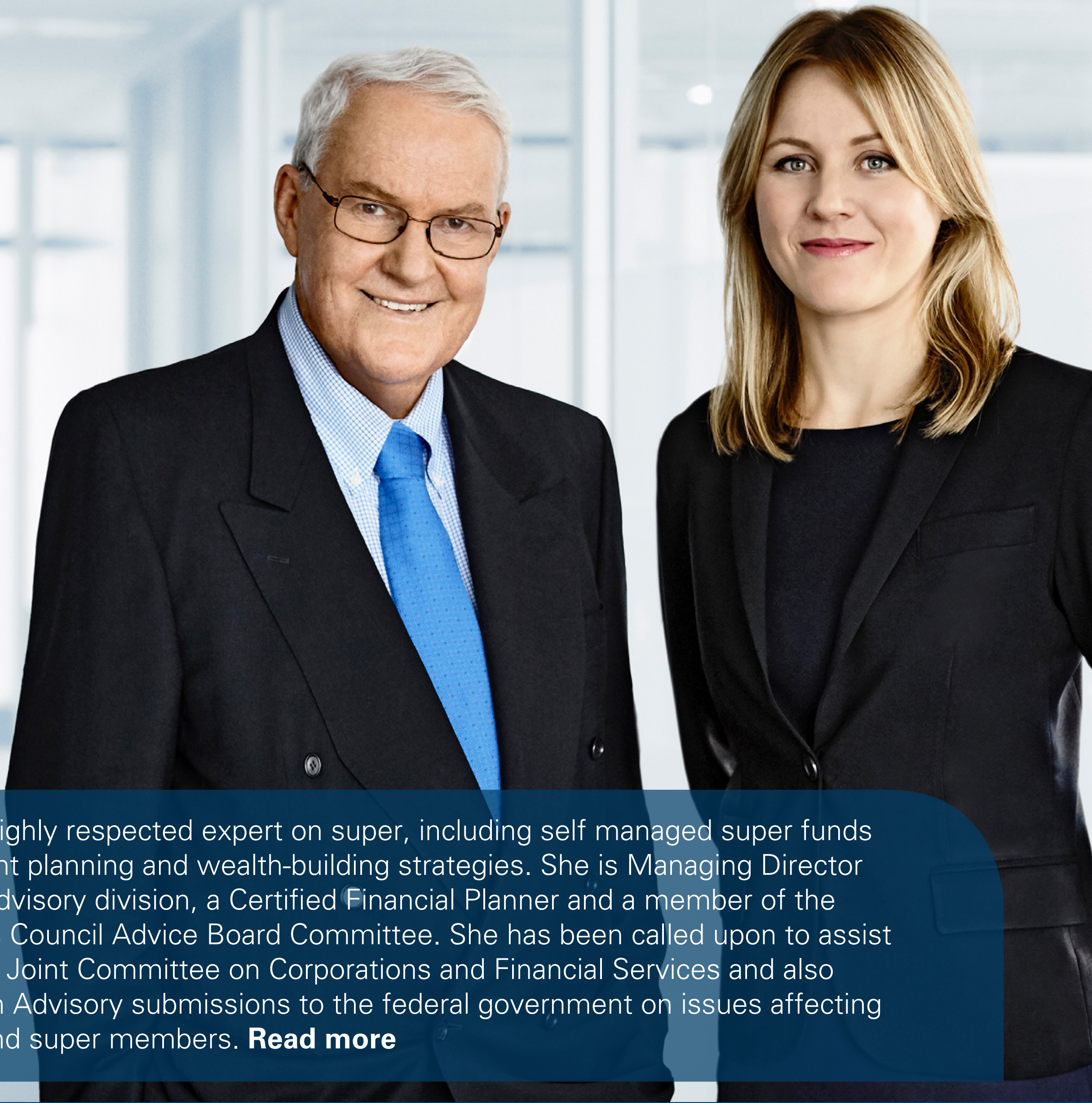
Contributing more money to super before 30 June 2017 won't be appropriate for everyone. However, it's worth considering how you might benefit from acting on this limited time opportunity. You'll need to consider a number of factors including cash flow, capital gains, debt outside of super and time until retirement, but it may provide significant benefits for some, especially if:

✔ You were caught out mid-transaction by the May 2016 Federal Budget announcement	If your intentions to add to your super were thwarted by the surprise announcements in last year's May Federal Budget, you now have a second chance. Consider using some or all of the $540,000 limit to help boost your super as this could provide longer term tax benefits.
✔ You're part of a couple and want to make adjustments between your accounts	The $540,000 limit could help you balance your super between one another. This may present some more favourable tax considerations given the introduction of the $1.6 million pension balance transfer cap, which also commences on 1 July 2017.
✔ You're a long-term saver with over $1.6 million (or close to it)	Eligibility to make non-concessional contributions is not yet limited by your fund balance, but as you can't make a non-concessional contribution of any amount from 1 July 2017 if your total super is more than $1.6 million, then working through the pros and cons before 30 June is important. In fact, the government has advised it will assess all account types when measuring this cap, including accumulation, pension and defined benefit pensions (that will have a notional lump sum value applied).
✔ You're an investor expecting to sell a large asset or inherit funds in the near future	The potential to transfer up to $540,000 from inheritances or funds from the sale of large assets such as property is worth investigating. Managing the timing of these can be difficult – particularly where large capital gains exist – so consider identifying funding alternatives and tax management options with a strategic financial advisor.
✔ You're a pre-retiree who may find it difficult to reach your target retirement plans	Due to the overall changes to super, it will be worth revisiting any previously agreed wealth accumulation priorities, including saving outside of super and accelerated debt repayment plans. These strategies may lose some of their advantages in comparison to getting more money into super. Given the short window of opportunity that's currently open, it's wise to consider extra contributions to super now, and if you're a proactive saver, look to optimise what you can today to make your hard-earned savings stretch further into the future.

Our story

Local firm, global outlook

Dixon Advisory is a privately owned financial advice firm supporting over 8,000 Australian trustees to optimise their wealth for retirement through SMSFs. Our support includes year-round investment, accounting, compliance and administration assistance – which we've been committed to for 30 years. As one of Australia's premier SMSF providers, our team of more than 350 employees based in Sydney, Melbourne, Canberra, Brisbane and New York work together to provide a global outlook for investing.



Nerida Cole is a highly respected expert on super, including self managed super funds (SMSF), retirement planning and wealth-building strategies. She is Managing Director of the Financial Advisory division, a Certified Financial Planner and a member of the Financial Services Council Advice Board Committee. She has been called upon to assist the Parliamentary Joint Committee on Corporations and Financial Services and also coordinates Dixon Advisory submissions to the federal government on issues affecting SMSF trustees and super members. **Read more**

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Recognition to be proud of

Our passion for delivering personal service and proactive advice is underpinned by our commitment to help clients achieve their financial goals. This has supported our leading reputation as one of Australia's premier SMSF providers.

From best SMSF provider to service excellence, our industry accolades are testament to our dedication to deliver excellent products and services to our clients. They also reflect our commitment to innovation in the SMSF industry, demonstrating leadership, agility and service excellence.

In 2016, we were proud to have been recognised for the following awards:

– Financial Review Smart Investor Blue Ribbon Award for Best SMSF Advice House
– The Australian Business Award for Service Excellence
– The Australian Business Award for Eco Innovation.

Contact us

We'd like to hear from you

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