Strategies to boost your super savings

STEP-BY-STEP GUIDE

Now you've started whipping your super into shape and getting a better understanding how your contributions are being invested, it's time to work out what else you can do to ensure you have a great retirement.

The key to a comfortable retirement is regularly putting the right amount away so it can grow throughout your working life. Although your employer may be doing a lot of the heavy lifting, you also need to do your bit.

Once you've completed this step-by-step guide, you'll understand more about the opportunities there are to add to your retirement nest-egg and whether or not any of these are right for you.

Learn more about why it can be a good idea to **put as much into super as possible**.

You may not be able to do everything in one go, but make sure you check off each step after you complete it so you know you're making real progress.

SUPERGUIDE

STEP
1

Get your employer to help

(4–5 minutes)

- [ ] If you can spare a few dollars from each pay, consider setting up an arrangement with your employer to put more money into super from your regular income.

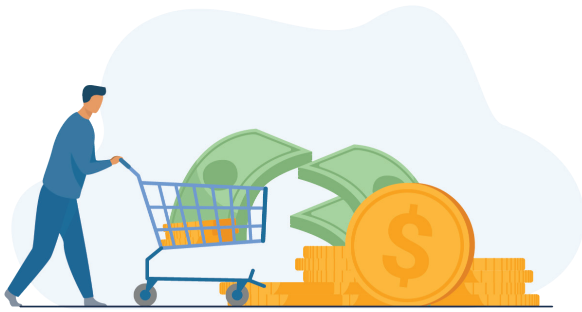
  You can choose whether to contribute before or after-tax, or a combination of both. By making regular contributions from your before-tax wages or salary, you not only boost your super account balance, but you also reduce the income on which you are taxed. After-tax contributions may attract a co-contribution from the government. Read on to find out more.

ℹ Learn more about **how salary sacrifice works**.

STEP
2

Check if you can contribute more than the usual limit

(2–3 minutes)



- [ ] Think about making additional concessional (before-tax) contributions if you haven't used all your annual caps in recent years.

  You can check if you have any unused concessional contribution limits if your myGov account is linked to the ***myGov account***.

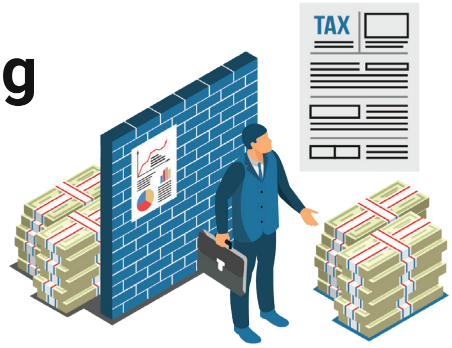
ℹ Learn more about **carry-forward contributions**.

- [ ] ***Compare carry-forward and bring-forward contributions*** (see step 6 for more about bring-forward arrangements).

STEP 3

Save some tax by making a super contribution

(3–4 minutes)



- [ ] Consider making a personal super contribution from your after-tax income so you can claim a deduction when tax time comes around.
A contribution like this can be a simple way to boost your super and get a tax deduction to sweeten the deal if you have money to spare. Once only available to the self-employed, now most Aussies can make these contributions.

Learn more about **tax-deductible contributions**.

STEP 4

Earn some free money from the government

(2–3 minutes)

- [ ] Take advantage of the government's co-contribution scheme by tipping some extra dollars into your super account and let the government add up to $500 to your account.

Learn more about the **government super co-contribution**.

STEP 5

Get your partner in on the act

(5–6 minutes)

☐ Consider contributing to your partner's super account. This can provide a handy boost to your combined retirement savings pool.]

An extra bonus with this strategy is you may earn yourself a tax offset of up to $540 you can claim against your tax bill.

Learn **how to boost your spouse's super**.

☐ Consider splitting your concessional (before-tax) super contributions and transferring some to your spouse's account. Perhaps your spouse has a low balance and you would like to even things up, and maximise your access to two transfer balance caps at retirement. Transferring contributions to a younger spouse could improve the Age Pension of the older partner, or transferring contributions to an older spouse could mean they can be accessed sooner.

Learn about **splitting super contributions**.

STEP
6

Make a personal super contribution

(6–8 minutes)

- [ ] Consider making a one-off contribution into your super account if you've made a profit from selling some shares or an investment property, or have received an inheritance.

Learn about the pros and cons of contributing an inheritance.

- [ ] Think about a bring-forward arrangement to use up to three years' worth of your non-concessional contribution caps. These allow you to make a larger contribution into your account if you have the money available.

Learn about bring-forward arrangements.

STEP
7

Sell your home and contribute to your super

(3–4 minutes)

- [ ] Consider making a downsizer contribution if you're over age 55 and plan to sell your home in the near future.

  Couples can contribute up to $600,000 into their super account if they're eligible ($300,000 per person) and the contribution isn't counted towards your annual non-concessional contributions cap.

Learn more about downsizer contributions.

STEP 8

Consider a recontribution strategy

(1–2 minutes)

- [ ] Check out whether a recontribution strategy could work for you if you're nearing retirement.

  There can be valuable tax benefits in making a withdrawal from your super account and then putting the money back into super. This strategy is not for everyone, but it can be useful in some situations.

Learn more about **recontribution strategies**.

STEP 9

Work out your best mix of regular super contributions

(6–8 minutes)

- [ ] Use ASIC's ***MoneySmart Super Contributions Optimiser tool*** to work out the best way to grow your retirement nest egg with regular super contributions.

  This online tool is designed to help you work out which mix of super contributions will give your super the biggest boost, taking into account contribution limits, your taxable income, and any co-contribution you may be entitled to.

  Note the tool doesn't consider the availability of carry-forward concessional amounts.

Learn more about **what super contributions could be best for you**.