ENERGY INDUSTRIES®
SUPERANNUATION SCHEME

Fact Sheet

Taxation

This Fact Sheet is dated 1 July 2010 and incorporates by reference additional information into the Rollover and Account-Based Pension Plan PDS dated 1 July 2010.

Overview

In addition to the tax information provided in the Product Disclosure Statement, there are tax implications in other areas of your superannuation. Please note that the information on this Fact Sheet represents the Trustee's understanding of taxation law as at date of issue. However, we recommend that you seek your own professional tax advice.

Spouse Contribution tax offset

A contributing spouse is entitled to receive an 18% offset for contributions up to $3,000 per annum to a superannuation fund or retirement savings account.

The maximum offset of $540 applies to a contribution of $3,000 where the spouse’s eligible income (including reportable fringe benefits) is below $10,800 per annum. Where the spouse’s eligible income exceeds this amount, the offset will phase out on a dollar-for-dollar basis. The spouse tax offset is no longer available when the spouse’s income exceeds $13,800 per annum.

The Australian Taxation Office (ATO) will determine eligibility for the offset. Contact the ATO for more information about this rebate.

Senior Australians tax offset

If you meet certain conditions, a tax offset will be available to you. The main conditions are:

- **Age:** you must be a male aged at least 65 years, or if a male war veteran or war widower, aged at least 60 years. By 2014, the minimum qualifying age for women will be 65 years, making it the same for everyone. Refer to the table on this page for further details.

Date of birth	Qualification age for women
1 July 1935 to 31 December 1936	60.5
1 January 1937 to 30 June 1938	61
1 July 1938 to 31 December 1939	61.5
1 January 1940 to 30 June 1941	62
1 July 1941 to 31 December 1942	62.5
1 January 1943 to 30 June 1944	63
1 July 1944 to 31 December 1945	63.5
1 January 1946 to 30 June 1947	64
1 July 1947 to 31 December 1948	64.5
1 January 1949 and later	65

Note: For Department of Veterans Affairs female veterans, the relevant ages are 5 years less than those listed above.

- **Eligible for a pension:** you must be receiving or be eligible to receive a Commonwealth Government age pension or similar payments. If you are eligible for a pension, but are not receiving it because you have not made a claim or because of the application of the income or asset test, and you meet other Australian residency requirements, you will satisfy this requirement.
- **Income tax threshold:** your rebate income must be less than $48,525 (single) or $78,992 (couple) for 2010/2011. You can choose to claim the offset in your tax return or through a reduction in the PAYG tax withheld from an income stream. If you would like the Trustee to reduce the PAYG tax on your pension payments to take account of your tax offset, please advise your financial planner or the Trustee.

Terminally ill benefits

Where a lump sum amount is paid for a member who has been approved for a payment under the terminally ill condition of release, no tax will be payable.

Energy Industries Superannuation Scheme Pty Ltd (ABN 72 077 947 285) (ABN Pool A - 22 277 243 559 and ABN Pool B - 64 322 090 181)
Sydney Office: Ground Floor, 28 Margaret Street Sydney **Postal Address** PO Box N835, Grosvenor Place NSW 1220
Tel: 1300 369 901 **Fax:** (02) 9279 4131 **Website:** www.eisuper.com.au

Low rate cap

The low rate cap is the limit set on the amount of the taxable component of a super lump sum benefit that you can receive at a lower (or nil) rate of tax. It applies if you have reached your preservation age (55 if born before 1 July 1960) but are below age 60. After reaching age 60 your entire benefit when withdrawn is tax free.

As at 1 July 2010, the low rate cap is $160,000 and is subject to indexation. The low rate cap is a lifetime limit.

Will social security benefits be affected?

Social security benefits depend on individual circumstances. Superannuation benefits may not only affect your social security entitlement, but also those of your spouse and/or dependants who may receive a benefit or pension after your death.

You should seek advice from a suitably qualified professional about how this may affect you.

Tax File Number (TFN)

Under the Superannuation Industry (Supervision) Act 1993, your superannuation fund is authorised to collect your TFN which will only be used for lawful purposes.

These purposes may change in the future as a result of legislative change. The Trustee may disclose your TFN to another superannuation provider when your benefits are being transferred, unless you request that your TFN not be disclosed to any other superannuation provider, by writing to the Trustee.

It is not an offence not to quote your TFN. However giving your TFN to your superannuation fund will have the following advantages (which may not otherwise apply):

- Your superannuation fund will be able to accept all types of contributions to your account(s)
- Other than the tax that may ordinarily apply, no additional tax will be deducted when you start drawing down your superannuation benefits
- It will make it much easier to trace different superannuation accounts in your name so that you receive all your superannuation benefits when you retire.

Providing your TFN

It is important that you consider providing your TFN (if you haven't already done so). You can check your Annual Statement to ensure that your TFN has been recorded.

Non-disclosure of TFN

If you have not provided your TFN by the end of the financial year then:

- In the case of an account opened after 1 July 2007, all of your concessional contributions will be taxed at the top marginal rate, plus the Medicare levy and
- In the case of an account opened on or before 1 July 2007, where your annual contribution exceeds $1,000, all of your concessional contributions will be taxed at the top marginal tax rate plus the Medicare levy.

In the case of self-employed contributions or other personal contributions, these cannot be accepted without a TFN.

If you do not provide your TFN by the end of the financial year and the additional tax is deducted, you can still provide your TFN and apply to have the additional tax refunded. However, additional tax will only be able to be refunded if the TFN is received within three years of the year in which the contributions were made and the additional tax was deducted.

If we have paid the additional tax to the ATO, there will generally be a considerable delay before any tax paid can be reclaimed because the application can only be made when we lodge our next tax return. If you leave the Scheme before any additional tax can be reclaimed from the ATO, your super payout will be reduced. You will not be able to request a refund of this additional tax paid after you have left.

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