EISS Super

What is Super?

Super is a long term investment for your retirement. Your account balance is made up of contributions made into your super fund either by your employer or your own additional contributions. You can generally receive great tax concessions on some of your contributions and investment earnings in your super as well as a range of other government incentives, where eligible.

Retirement may seem too far away to think about yet, but managing your super properly today can make a huge difference over the long term so that you can afford a few extra luxuries in retirement.

The government places restrictions on when and how you can access your super. Generally you can only access your super when you retire and reach your preservation age. Then you can usually take your super benefit as a pension and/or a lump sum payment or leave it in your account for when you are ready to access.

What is a super fund?

A super fund is a trust operated by a trustee. It is the trustee's duty to manage the fund and make decisions in the best interests of the members of the fund. Often the trustee will engage specialists to assist in such things as the management of the fund's investments, fund administration, compliance and to provide insurance to the funds members.

A super fund invests your super contributions in a range of different investment options with differing levels of risk and return including shares, property, fixed interest investments such as bonds and the short-term money market.

Who regulates super funds?

Super funds are highly regulated to protect the retirement savings of their members.

The Australian Securities and Investments Commission (ASIC) regulates the way in which funds communicate with their members and the information that must be given to them.

The Australian Prudential Regulation Authority (APRA) regulates how funds operate to ensure they meet their compliance obligations and obligations to members.

The Australian Taxation Office (ATO) ensures that the correct taxation is applied to super funds.

Who can become a member of a super fund?

Most people are eligible to become a member of a super fund. Usually you will join a super fund when you start a new job and your employer will pay super contributions for you called 'superannuation guarantee' (SG) into your super account. If you are self-employed you have the option to join a super fund and make your own contributions. You can also contribute to your super in other ways to grow your balance even faster.

What type of contributions can be made?

The following contributions are known as concessional contributions and can be made to a super fund:

- employer contributions known as Superannuation Guarantee (SG), currently at 9.5% of your salary;
- salary sacrifice contributions; and
- personal contributions for which you claim a tax deduction.

The following contributions are known as non-concessional contributions, made from after-tax monies:

- personal after-tax contributions;
- spouse contributions; and
- excess concessional contributions.

There are caps or limits on the amount of concessional and non-concessional contributions you can make in any one financial year. If you exceed these caps you may be liable for extra tax.

Further information can be found in the 'Contribution caps' fact sheet available at eisuper.com.au/factsheets.

Accessing your super

Your super benefit is the total of all contributions made, benefits transferred from other super funds plus investment earnings, insurance proceeds (if any), less fees, taxes and insurance premiums (if any) and other charges.

Additional information on accessing your super can be found in the 'How and when you can access your super' fact sheet available at eisuper.com.au/factsheets.

After you have reached your preservation age and retired, you can access all of your super as either a lump sum or an income stream (known as a pension) or a combination of both. Your preservation age will be between 55 and 60, depending on your date of birth (see the following table).

Preservation age

Date of birth	Preservation age
Before 1/7/1960	55
1/7/1960 – 30/6/1961	56
1/7/1961 – 30/6/1962	57
1/7/1962 – 30/6/1963	58
1/7/1963 – 30/6/1964	59
After 30/6/1964	60

Ceasing employment on or after age 60

If you are age 60 or over and you cease an employment arrangement, you can access all super benefits accumulated up to that time, irrespective of whether you have permanently retired.

Turning age 65

When you turn 65, you can access all of your super as either a lump sum or a pension even if you are still working.

Seek professional advice

Our financial planners provide advice over the phone, at our offices or at a location near you.

To book an appointment, please call **1300 369 901** or visit **eisuper.com.au/appointment**.

We're here to help

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