

Contribution Splitting

GESB SUPER AND WEST STATE SUPER FACT SHEET

WHAT IS CONTRIBUTION SPLITTING?

Contribution splitting allows you to split some of your super contributions with your spouse. By splitting your super benefits, single income families can make use of the same taxation incentives available to dual income families. A portion of your super can be split into a new or existing super account for your spouse.

A spouse for the purposes of making spouse contributions is the husband, wife or de facto partner (including same sex partner) of the member who lives permanently with the member on a bona fide domestic basis at the time the contributions are made. Both the member and the spouse must be Australian residents at the same time the spouse contributions are made.

Contribution splitting is available for members of GESB Super and West State Super.

WHEN CAN I SPLIT CONTRIBUTIONS?

Your application to split your contributions should be lodged with GESB either:

- In the financial year following the year in which the contributions were made, or
- Within the current financial year if your entire benefit is to be rolled over or transferred before the end of that financial year.

Eligible members can submit one request each financial year to split contributions made to their super account.

WHICH SUPER CONTRIBUTIONS CAN BE SPLIT?

Concessional contributions paid into your super account during a financial year can be split into your spouse's superannuation account.

Concessional contributions that can be split include:

- Contributions paid by your employer such as Superannuation Guarantee contributions
- Salary sacrificed contributions
- Voluntary contributions for which an income tax deduction has been claimed.

You can split up to 85% of the value of concessional contributions made to GESB Super and 100% of the value of concessional contributions made to West State Super, each financial year.

WHAT AMOUNTS CAN'T BE SPLIT?

Non-concessional contributions, such as any voluntary after-tax contributions that you make, can't be split with your spouse.

In addition, the following amounts can't be split:

- Amounts that have been rolled over from another fund
- Directed Termination Payments (DTPs) paid on termination of employment
- Small business capital gain tax exempt amounts
- Amounts subject to Family Law splitting orders.

YOUR APPLICATION IS INVALID IF:

- You have already made an application for the same financial year
- The employer and salary sacrificed contributions you have asked to be split exceed 85% (from GESB Super) and 100% (from West State Super)
- Your spouse is aged 65 years or older or is aged between the relevant preservation age and 65 years and has retired.

A person who has at any time been gainfully employed is taken to 'retire' if:

- a) The person, having been gainfully employed after they turned 60 years of age, ceases to be gainfully employed; or
- b) all of the following apply:
 - (i) The person is at least the preservation age;
 - (ii) The person is not gainfully employed;
 - (iii) GESB is reasonably satisfied that the person intends never to again become gainfully employed for 10 hours or more a week.

CASE STUDY

Peter is aged 54. He earns \$64,000 and has \$540,000 in his super account. He wants to continue to work beyond 55 and continue to salary sacrifice into his super. His wife Janet is aged 51 and has \$50,000 in her super account. They both want to make sure they each have enough super by the time they retire. Peter plans to split his salary sacrifice contributions and transfer them to Janet's super account. By splitting the amount of super in his account Peter and Janet will now have access to two low rate caps if they elect to retire before age 60.

How to contact us

☎ Member Services Centre 13 43 72 📠 Facsimile 1800 300 067 🌐 gesb.com.au
 ✉ PO Box J 755, Perth WA 6842 📍 Level 4 Central Park, 152 St Georges Terrace, Perth