Pay less tax? Yes please!

Claiming tax deductions for contributions

If you're eligible, you can claim a tax deduction for your personal super contributions in your income tax return. This could reduce the income tax you need to pay in that financial year.

What happens when you claim a tax deduction?

Your taxable income may reduce

Claiming a tax deduction for personal super contributions can reduce your taxable income, meaning you may pay less income tax.

For example, if you earned $50,000 and had eligible tax deductions of $500, you'd only pay income tax on $49,500.

You'll pay contributions tax on claimed amounts

Generally, super contributions are either before-tax (concessional) contributions or after-tax (non-concessional) contributions.

Personal contributions are usually after-tax (non-concessional) contributions. You generally don't pay contributions tax on after-tax contributions.

Any personal contributions you successfully claim a tax deduction for will count towards your before-tax (concessional) cap.

Before-tax contributions generally attract a 15% contributions tax[1]. We'll deduct contributions tax from your account once we accept your tax deduction claim.

For example, if you made a personal contribution of $1,000 and claimed a tax deduction for the full amount, we'd deduct $150 in contributions tax.

[1]If the total of your income and before-tax contributions is over $250,000 a year, you may pay an extra 15% on some or all of your before-tax contributions, as advised by the Australian Taxation Office (ATO). If you earn $37,000 or less, you may be eligible to receive some or all of this tax back with the government's low income super tax offset (LISTO). Conditions apply. For details, read our *Boosting your super with government help* fact sheet.

You can't receive a government co-contribution for personal contributions you've claimed a tax deduction for.

If you're unsure if you should claim a tax deduction, try the MoneySmart Super contributions optimiser at moneysmart.gov.au or talk to your accountant or tax adviser.

Can I claim a tax deduction?

To claim a tax deduction for personal contributions made to your CareSuper account:

- you must have made personal contributions to us in the relevant financial year
- the funds must still be in your account. This means you haven't withdrawn your super, transferred it to another super fund, opened a Retirement Income account or other super income stream, or split your contributions with your spouse
- you must meet the age requirements
- you must give us a valid notice of intent in the prescribed time restrictions and wait for us to acknowledge it

If you've withdrawn or transferred only part of your super account, you can only claim a tax deduction for the proportion of your contribution that remains in the fund.

You can't claim tax deductions for the following:

- super you've transferred from another super fund, including foreign funds
- contributions paid by your employer from your before-tax salary, including super guarantee (SG) and salary sacrifice contributions
- downsizer contributions
- First home super saver amounts and COVID-19 early release amounts you've recontributed to your account

Age restrictions

If you're under 18 at the end of the financial year you made the contribution, you can only claim a deduction if you earned income as an employee or business operator during the financial year.

If you're 67 or over but under 75, you'll need to satisfy the work test if you want to claim this tax deduction. This means you must work for at least 40 hours in a consecutive 30-day period during the financial year that you made the personal contributions.

You may be able to access a limited exemption to the work test if you meet all of the following:

- satisfied the work test in the financial year before the year you made the contribution
- had a total super balance (across all funds you participate in) of less than $300,000 on 30 June of the previous financial year
- haven't used the work test exemption previously

If you're 75 or older, you can only claim a deduction for contributions you made to super before the 28th day of the month following the month you turned 75.

Time restrictions

You need to complete your claim for a tax deduction by the earliest of either:

- the day you lodge your tax return for the year you made the personal contribution
- the end of the financial year following the one you made the personal contribution

Remember, you can only claim a tax deduction if the funds are still in your account. So, if you plan to claim a tax deduction, make sure to do it before you withdraw your super, transfer it to another super fund, start a super income stream, or split your contributions with your spouse.

Example:

Sarah contributed $10,000 to her super on 1 September 2024.

Sarah must submit her claim for a tax deduction before she lodges her income tax return for 2024-25, but no later than 30 June 2026.

You must submit your *Notice of intent to claim a tax deduction* form before you withdraw or transfer your super or split contributions with your spouse.

Even partial withdrawals and transfers can impact your ability to claim a tax deduction.

How does it work?

Most people can claim a tax deduction for personal super contributions.

These contributions are generally taxed at 15%, which may be less than your marginal income tax rate.

Potential tax savings available

Income	Tax rate[2] if you receive this as income	Tax rate on contribution if you claim your personal contribution as a tax deduction	Potential tax savings
$0 - $18,200	0%	15%	Nil
$18,201 - $45,000	16%	15%	1%
$45,001 - $135,000	30%	15%	15%
$135,001 - $190,000	37%	15%	22%
Above $190,000	45%	15%[3]	30%[3]

[2]Tax rates for 2024–25 excluding the Medicare levy and personal tax offsets that may apply. | [3]If your combined income and before-tax contributions go over $250,000 a year, you may pay an extra 15% on some or all of your before-tax contributions, as advised by the ATO.

Things to consider before claiming a deduction.

Before claiming a deduction for personal contributions, you should consider the following.

Contribution caps

There are limits to how much you can contribute to super each year. If you go over these caps, you'll generally pay extra tax.

Contributions tax

We must deduct 15% contributions tax from amounts you claim a tax deduction for.

Super co-contribution

If you claim a deduction on all of your personal contributions, you won't be eligible for a co-contribution payment from the government.

Eligibility criteria apply. Read our *Boosting your super with government help* fact sheet for details.

Income tests

The amount you claim for will count towards your reportable super contributions.

This will impact your income for the purpose of some tax offsets, deductions, concessions and certain government benefits and obligations.

If you earn less than $60,400 in 2024-25, you may be eligible for a co-contribution on personal contributions you don't claim a tax deduction for (conditions apply). Use the MoneySmart Super contributions optimiser at moneysmart.gov.au or talk to your accountant or tax adviser.

Meet Kate

Kate earns $30,000 each year.

She decides to make a personal super contribution of $1,000 from her savings.

Kate is eligible for a co-contribution on personal contributions she doesn't claim a tax deduction for.

Should Kate claim a tax deduction?

Impact on income tax	No deduction claimed	Deduction claimed
Annual income	$30,000	$30,000
Tax deduction for contribution	-	($1,000)
Taxable income	**$30,000**	**$29,000**
Income tax[4]	**($1,588)**	**($1,328)**
Take home pay	**$28,412**	**$27,672**

Impact on super balance	No deduction claimed	Deduction claimed
Super guarantee (11.5% of salary)	$3,450	$3,450
Personal contribution – no tax deduction claimed	$1,000	-
Co-contribution	$500	-
Tax-deductible personal contribution	-	$1,000
Contributions tax	($517)	($667)
Low income super tax offset	$500	$500
Increase to super balance	**$4,933**	**$4,283**

[4]Includes the Medicare levy (single, no dependants) and low income tax offset.

Result!

Kate is better off **not claiming a tax deduction** for her contribution.

The **$500 boost to her super** from maximising the co-contribution outweighs the possible income tax saving of $260.

Meet Louise

Louise earns $90,000 each year. Louise decides to contribute $10,000 to her super account.

She isn't eligible for the co-contribution, but may benefit from claiming a tax deduction for all or part of the contribution.

Louise needs to make sure that she doesn't go over the before-tax (concessional) cap. This is $30,000 in 2024-25 and includes the 11.5% super guarantee contributions paid by her employer.

Should Louise claim a tax deduction?

	No deduction claimed	Deduction claimed
Annual income	$90,000	$90,000
Tax deduction for contribution	-	($10,000)
Taxable income	**$90,000**	**$80,000**
Income tax[8]	**($19,588)**	**($16,388)**
Take home pay	**$70,412**	**$63,612**

Impact on super balance	No deduction claimed	Deduction claimed
Super guarantee contributions (11.5% of salary)	$10,350	$10,350
Personal contribution – no tax deduction claimed	$10,000	-
Tax-deductible personal contribution	-	$10,000
Contributions tax	($1,552)	($3,052)
Increase to super balance	**$18,798**	**$17,298**

[8]Includes the Medicare levy (single, no dependants).

Result!

Louise claimed a tax deduction for her entire $10,000 contribution.

While this means $1,500 less in her super balance (because 15% contribution tax is deducted from the $10,000 personal contribution that Louise claimed as a tax deduction), her income tax is reduced by $3,200.

Louise needs to make sure she doesn't go over the $30,000 before-tax (concessional) cap.

How to claim a tax deduction

Once you've made a personal contribution, you need to complete three simple steps to claim a tax deduction.

1.

Submit a notice of intent to claim a deduction

To claim a tax deduction on personal contributions, you first need to let us know by submitting a 'notice of intent'.

You can do this:

- in **Member Online** - select Contributions then choose Claim tax deductions
- by completing the *Notice of intent to claim or vary a deduction for personal super contributions (NAT 71121)* form available at ato.gov.au
- by calling us on **1800 005 166**

If submitting through **Member Online**, make sure we have your mobile number (you'll need this to complete your claim). Please note you can't claim amounts higher than the before-tax (concessional) cap in **Member Online**.

If you've made personal contributions to more than one super fund, remember to submit a separate notice of intent to each fund. Your claim at each super fund is limited to the amount of eligible contributions you've made to that fund.

2.

Keep the confirmation we'll send you

You can't claim a tax deduction for your personal contributions unless you've received a written acknowledgement from your super fund. Make sure to keep this with your tax records.

We'll update your contributions and deduct the necessary contributions tax.

3.

Submit your tax return

You must state the amount you want to claim as a tax deduction in your tax return.

You should also submit your notice of intent to claim as soon as possible so your tax return isn't delayed.

How much can I claim?

You can claim a deduction for all of your personal contributions made in a financial year. However, there are caps on how much you can contribute to super before you pay extra tax.

Any contributions you successfully claim a tax deduction for will be counted towards your before-tax (concessional) cap.

Read our *Super contributions* fact sheet or call **1800 005 166** for more information.

Can I change the amount I wish to claim as a tax deduction?

Yes. You can do this in **Member Online**, by calling **1800 005 166** or using the N*otice of intent to claim or vary a deduction for personal super contributions (NAT 71121)* form.

How do I cancel a claim?

You can't cancel a claim, but you can reduce your claim amount to zero ($0). You can do this in **Member Online**, by calling us or using the form.

How do I reduce my claim amount?

You can submit a new claim for the reduced amount in **Member Online**, by calling us, or using the form. If you're using the form, complete the *Variation of previous valid notice of intent* section.

How do I increase my claim amount?

You can increase your claim amount in **Member Online** or by calling us.

The new amount will override any previous nomination you've made on all personal contributions in the relevant financial year.

If you complete the form, you'll need to submit a new form for the additional amount you want to claim only. Your original paper-based claim will remain in place.

If you change your claim, make sure that it's received and acknowledged by us in the required time frames - see *Time restrictions* on page 2 for more information.

Need advice?

We're here to help you make the most of your super. You can access general information, education, and personal advice about your CareSuper account at no extra cost.

If you need advice on your entire financial situation or have more complex needs, we can assist with that too. There might be an additional cost, but we'll explain any fees upfront, and you'll only pay for the services you agree to.

For more details, visit **caresuper.com.au/advice**.

All our forms and publications are available at **caresuper.com.au/forms-publications** or call us, and we'll send you a copy.

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Issuer is CareSuper Pty Ltd ABN 14 008 650 628, AFSL 238718, the trustee of CareSuper ABN 74 559 365 913. FSMC004 11/2024