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Superannuation Update

Claiming a deduction for personal super contributions and completing an acknowledgment letter

If you intend to claim a tax deduction for your personal super contributions, remember that you must complete a [Notice of intent to claim or vary a deduction for personal super contributions form](#) (NAT 71121).

Please click [here](#) to link to download.

As an SMSF trustee, you will also need to complete an 'acknowledgement' of the valid notice you have completed. This means you will need to keep records of the following information:

- the date the original notice was completed
- any subsequent variations to the original notice
- your SMSF member details
- the total amount of personal contributions that the original notice covers and, of those contributions
 - the amount you intend to claim as a deduction
 - either the dates the contributions were made or the income year they were made in
- the notice and acknowledgement must be completed by whichever of the following occurs first:
 - before you lodge your individual income tax return in the year the contributions were made
 - by the end of the income year following the income year the contributions were made.

You will also need this information to complete the SMSF annual return.

Claiming deductions for personal super contributions

In the 2010-11 Federal Budget the government announced future changes to super. These changes, if passed by parliament, will change the information on this page. For a summary of these changes, refer to [Changes to super](#).

“ACCOUNTANTS
YOU CAN TALK
TO...”

Am I eligible to claim a deduction?

You are eligible to claim a deduction if:

- you satisfy the 'maximum earnings as an employee' condition
- you meet the age-related conditions
- you made personal contributions to a complying super fund or a retirement savings account (RSA)
- you made the contributions in order to obtain super benefits for yourself, or for your dependants in the event of your death
- you have written to your super fund or RSA provider, in the approved form [Deduction for personal super contributions](#) (NAT 71121, PDF 188KB), and advised them of the amount you intend to claim as a deduction
- your super fund or RSA provider has acknowledged your notice of intent and agreed to the amount you intend to claim as a deduction.

What is the 'maximum earnings as an employee' condition?

You may be able to claim a deduction for personal contributions even if you receive some income as an employee, as long as you satisfy the 'maximum earnings as an employee' condition.

Under this condition, less than 10% of the total of the following must be in respect of your employment activities:

- your assessable income for the income year
- your reportable fringe benefits for the income year; and
- the total of your reportable employer super contributions (RESC) for the income year

This is the case regardless of whether your employer has paid super on your behalf.

What are the age restrictions for claiming a deduction?

If you are 75 years old or over, you can only claim a deduction for contributions you made before the 28th day of the month following the month in which you turned 75.

If you are under 18 years old at the end of the income year in which you made the contribution, you can only claim a deduction for your personal super contributions if you earned income as an employee or a business operator during the income year in which you claim the deduction.