ISSUE 67

NEWSLETTER

Informative articles, Centrelink News & Market Update

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You may need to pay tax if you received coronavirus payments

20 April 2021

If you receive payments from Centrelink, you can set up a tax deduction to help you avoid an income tax debt.

Because of coronavirus (COVID-19), Centrelink paid some customers extra payments and supplements. If you received any of these, it may affect your tax return for 2020-21.

The fortnightly Coronavirus Supplement, it is taxable income.

This extra money means your taxable income might be above the relevant thresholds. If it is, you may need to lodge a tax return and pay income tax or the Medicare levy, or both.

The Australian Taxation Office (ATO) may reduce the tax you need to pay if you're eligible for a tax offset. Offsets apply when you receive certain Australian Government payments or have a low income.

Although offsets won't reduce the amount of Medicare levy you may need to pay.

How to pay tax in smaller amounts

To avoid owing money to the ATO, it's important to think about whether any of the following apply. You:

- Received the Coronavirus Supplement
- have earnings, including your Centrelink payment
- Receive other taxable income.

If these apply to you, you may want to consider paying tax in smaller amounts throughout the year.

When you get a payment from Centrelink, they don't automatically take tax out of your payment. But, you can arrange to have tax taken from your payment. The amount of tax you need to have taken out will depend on your circumstances.

You can set up, update or cancel a tax deduction any time using either your:

- Centrelink online account through myGov
- Express Plus Centrelink mobile app.

If you can't use online services, you can send Centrelink a completed Tax Deduction Authority form to arrange this.

MLC INSIGHTS - TRANSFERRING YOUR WEALTH TO THE NEXT GENERATION

26 April 2021

Start the conversation early

Before any plan is implemented, it's crucial that families have honest conversations about their wealth so younger generations understand what they're likely to inherit.

This will help your beneficiaries prepare and have a planned purpose for how it should be used. It also means they have time to seek professional help if needed.

Another benefit of these conversations is they present an opportunity to talk about any long-term goals you may have. For instance, you may want your beneficiaries to set up a retirement account, allocate it to their kids' education or support a cause you love.

Seek help from a professional

Before making a decision to relocate, it's always important to consider the impact it will have on your lifestyle and financial situation.

A financial adviser can help by investigating different strategies for you so you can make a balanced and informed decision on whether a tree/sea change is your best option.

They can also assist with other aspects of your financial life—savings, insurance, tax, debt—while keeping you on track to achieve your goals.

More importantly, they can answer questions like:

- How can I pay off my mortgage faster and reduce my debt?
- What age can I stop working and retire?
- What strategies can I use to build my wealth?

If you value the experience of experts in other aspects of your life, don't discount it when it comes to managing your life savings.

MLC INSIGHTS - TRANSFERRING YOUR WEALTH TO THE NEXT GENERATION

26 April 2021

Tax implications
Depending on your circumstances, there are strategies that can help to ensure your wealth passes in a tax-efficient manner.

Super
One of the most common methods of wealth transfer is through super. But when a family member dies and their super is passed to beneficiaries—such as their children who are financially independent —death benefit taxes on some or all of the benefit may apply.

The payment of super benefits to beneficiaries on death may also be challenged by those who felt they didn't receive the share they were entitled to.
One option that may help to avoid these outcomes is to withdraw super after you're retired, rather than on death. This can also reduce death benefit taxes too.

Gifting
Transferring wealth via gifting can be a good option as you won't have to pay tax on the money you give. It can however, affect you financially if you're receiving social security benefits and you exceed the gift limits.

You're entitled to gift up to $10,000 in cash gifts and assets each financial year and up to $30,000 over five consecutive years. If you exceed this limit it may reduce your social security benefit.

An alternative to gifting that you may prefer is loaning wealth to family members. A loan to a family member will not affect your social security benefit and can usually be recalled if, for example, the family member's marriage or de facto relationship breaks down.

Capital Gains Tax
If you choose to transfer the ownership of assets while you're still alive, a capital gains tax (CGT) event may occur. By contrast, CGT will generally not apply at the time ownership of assets is transferred to beneficiaries via a deceased estate.

MLC INSIGHTS - TRANSFERRING YOUR WEALTH TO THE NEXT GENERATION

26 April 2021

Consider setting up a trust

Some people choose to pass their wealth to their intended beneficiaries via a testamentary trust rather than leave all their assets directly to them.

One of the main benefits of testamentary trusts is they can enable your wealth to remain in your bloodline (ie pass to your lineal descendants). It also enables wealth to pass in a manner that protects beneficiaries who may be vulnerable due to marriage or a relationship breakdown, or due to their profession or a business they operate.

In other cases, testamentary trusts can simply preserve wealth by ensuring it is not misspent by beneficiaries on poor lifestyle choices or investment decisions.

These trusts, which are written into the will when planning your estate affairs can have significant tax benefits too.

For example, if a beneficiary receives their inheritance under their personal name, they may be liable to pay additional tax on investment earnings or capital gains at their personal marginal tax rate. However, if they take the inheritance through a testamentary trust, particularly where the beneficiary has a high personal marginal tax rate, they may not be liable for as much tax as income can be generally be split with the beneficiary's other family members, including young children.

Depending on your circumstances, you may even choose to set up separate trusts for each beneficiary. This will enable them to invest the way they want and manage their finances independently over the long-term.

Key takeaways

- Start the conversation early so younger generations understand what they're likely to inherit
- There are strategies that can help to ensure your wealth passes in a tax-efficient manner
- Testamentary trusts can be beneficial if you want your wealth to remain in your direct blood line.
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We spend a lifetime generating wealth but few of us spend the time to ensure it's passed on in the way we want it to.

Having a plan in place for how and when you want your wealth to be transferred, will help all parties understand your intentions and the process.

While there isn't a one-size-fits-all approach, we've highlighted a few considerations to get you started.

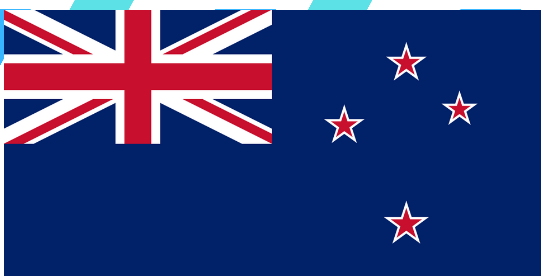
Write a will and update it

One of the simplest things that people often overlook is writing a will. This document is the bones to any successful wealth transfer plan and must be updated regularly to ensure any major life changes are accounted for. This can include anything from getting married or having children, to selling the family home.

TRIVIA

1. What does a funambulist walk on?
2. Area 51 is located in which US state?
3. On a dartboard, what number is directly opposite No. 1?
4. Which geometric shape is generally used for stop signs?
5. Who is the author of Jurrasic Park?
6. What alcoholic drink is mainly made from juniper berries?
7. How many players are there in a Water Polo team?
8. What is the furthest you can see with the naked eye?
9. What does BMW stand for(in English)?
10. What is the capital of New Zealand?

JURASSIC PARK



BMW

1. A tight rope
2. Nevada
3. 19
4. Octagon
5. Michael Crichton
6. Gin
7. 7
8. 2.5 million light years
9. Bavarian Motor Works
10. Wellington

Market Update

APRIL 2021

- The vaccine rollout and vast sums of fiscal and monetary support are helping to accelerate economic growth and restore confidence.
- Global trade was disrupted when a giant container ship became lodged in the Suez Canal; Lloyd's List estimated the loss of trade at around US$400 million per hour.
- European leaders are contending with a rise in coronavirus cases, forcing another round of temporary lockdowns to combat the spread of new variants.
- The Australian government announced that the AstraZeneca vaccine is not recommended for people under 50 following reports of 'very rare' blood clots.
- The RBA left the cash rate on hold at 0.1% at its April meeting and reiterated its commitment to the 3-year bond yield target.

March market performance

Equity Markets – Index Return*	Index	At Close 31/03/2021	% Return 1 Month	% Return 12 Months
Australia	S&P/ASX 200 Index	6790.67	2.44%	37.47%
United States	S&P 500 Index	3972.89	4.38%	56.35%
Japan	Nikkei 225 Index	29178.80	1.35%	56.68%
Hong Kong	Hang Seng Index	28378.35	-1.76%	23.93%
China	CSI 300 Index	5048.36	-5.40%	39.85%
United Kingdom	FTSE 100 Index	6713.63	4.16%	21.91%
Germany	DAX 30 Index	15008.34	8.86%	51.05%
Europe	FTSE Eurotop 100 Index	3111.74	6.53%	30.62%

Property – Index Returns*	Index	At Close 31/03/2021	% Return 1 Month	% Return 12 Months
Listed Property	S&P/ASX 200 A-REITS	1426.40	6.56%	44.66%

Interest Rates	At Close 31/03/2021	At Close 28/02/2021	At Close 31/03/2020
Australian 90 day Bank Bills	0.04%	0.03%	0.36%
Australian 10 year Bonds	1.74%	1.87%	0.77%
US 90 day T Bill	0.03%	0.04%	0.11%
US 10 year Bonds	1.74%	1.44%	0.70%

Currency**		At Close 31/03/2021	% Change 1 Month	% Change 12 Months
US dollar	AUD/USD	0.76	-2.90%	23.11%
British pound	AUD/GBP	0.55	-1.27%	10.63%
Euro	AUD/EUR	0.65	0.81%	15.84%
Japanese yen	AUD/JPY	84.28	1.42%	26.07%
Australian Dollar Trade-weighted Index		63.9	-0.93%	16.82%

* Closing index values are based on price indices. Index returns are expressed as total returns in local currency.
** All foreign exchange rates rounded to two decimal places.
Past performance is not a reliable indicator of future performance.

Global economies

Global Covid-19 cases continue to rise with over 130 million cases reported in early April, but the vaccine narrative is still propelling the economic recovery. The rollout has been slower than many had hoped, but the US and UK are now making strong progress. The International Monetary Fund is forecasting the world economy to expand 6.0% in 2021, up from the 5.5% it had forecast in January.

Market Update

US

The US economy continues its upward trajectory with recent data pointing to an upswing in activity and an improvement in confidence as the vaccine rollout increases pace. More than 100 million people have received at least one coronavirus vaccine dose, and over 1 million doses were administered on a single day. The IMF expects US GDP to grow by 6.4% in 2021, an upgrade of 1.3 percentage points, driven in large part by the Biden administration's $1.9 trillion stimulus. The manufacturing index rose to 59.0 as expected, while the services index surprised to the upside at 60.0 (above the expected 59.1). The ISM non-manufacturing PMI continued to strengthen in March, lifting from 55.3 to 63.7 and easily surpassing expectations of 59.0. The reading pointed to the strongest growth in services activity on record as the easing of coronavirus-related restrictions released pent-up demand for many services. Non-farm payrolls for March came in strongly at 916k, beating expectations of 647k, while consumer confidence surged 19.3 points in March to 109.7, beating expectations of 96.9. The Federal Reserve maintained its accommodative policy stance at its March meeting, as widely expected. Fed Chair Jerome Powell stated that the unevenness in the economic recovery will see monetary policy remain accommodative for some time.

Europe

Europe's battle against the coronavirus took a backward step as France and Italy were forced to impose nationwide lockdowns ahead of the Easter weekend following a surge in cases. France's President Macron announced that the lockdown rules currently in operation in 19 French departments, including the Paris region, will be extended to the rest of the country and will remain in place for at least four weeks. German Chancellor Angela Merkel said she is in favour of a "short national lockdown" as the country struggles to bring case numbers under control with a surge in the British variant. Meanwhile the UK remains on a steady path out of its three-month lockdown as the government considers a 'vaccine passport' to allow travellers proof of their inoculation, although equitable concerns have been raised for those unable to access vaccines. UK GDP expanded 1.3% in the fourth quarter, surpassing expectations of 1.0%, while the yearly rate improved 1.2% to -7.3% (-7.8% expected). The unemployment rate across the eurozone rose to 8.3% in February, above expectations of 8.1%, while the youth unemployment rate printed at 17.3%. Among the largest eurozone economies, the highest jobless rates were recorded in Spain (16.1%), Italy (10.2%) and France (8.0%).

China

China is ramping up its vaccine diplomacy, with Chinese-made vaccines being used to inoculate millions of people in dozens of countries around the world. China is still lagging the US in the number of people vaccinated, prompting the Chinese Centre for Disease Prevention and Control to up its target for the number of people injected to 560 million, or 40% of its population, by the end of June. That means China will need to administer some 460 million doses in the next three months—double the goal stated by US President Biden over roughly the same time span. China's economy returned to pre-pandemic levels last year and is projected by the IMF to grow by a further 8.4% in 2021, in contrast to most other major economies, which will not return to their pre-pandemic size until 2023 at the earliest. In terms of recent economic data, retail sales surged 33.8% year-on-year in the January-February period, above expectations of 32.0%, as sales cycled last year's lows due to the coronavirus shutdown. The unemployment rate unexpectedly lifted to 5.5%, up from 5.2% in December, while industrial production lifted 35.1%, surpassing expectations of 30.0%. The NBS manufacturing PMI came in at 51.9 in March, beating expectations of 51.2, and the Caixin composite index printed at 53.1, recovering from February's fall.

Market Update

Asia region

Japan's economic recovery has been stymied by a slow vaccine rollout and trepidation among consumers as daily cases continue to climb. The key focus for the government is the vaccination of people aged 65 and over, of which there are around 36 million. Once a critical mass within this demographic receive the vaccine, the government expects personal consumption to get a significant boost. Japan's preliminary industrial production fell 2.1% in February, missing expectations of a 1.2% contraction, with motor vehicles and electrical machinery the largest detractors. The unemployment rate remained unchanged at 2.9% in February, coming in lower than expectations of 3.0%. Retail sales rose 3.1% in February, beating expectations of 0.2%, while the yearly rate improved to -1.5% (versus -2.8% expected). India reported more than 100,000 daily Covid-19 cases in early April, a grim measure achieved only by the United States and Brazil. However, despite the economic pain wrought by the pandemic, which caused a record 8.0% drop in GDP over 2020, the IMF forecasts a 12.5% rebound in 2021, and further growth of 6.9% in 2022. India—along with the US, China, Indonesia and South Korea—will be among the only major economies to exceed pre-pandemic GDP levels by the end of 2021.

Australia

With no community transmitted Covid-19 cases, the Queensland government ended the snap three-day Brisbane lockdown, but maintained some mask wearing and social distancing measures. Whether tight elimination lockdowns or more moderate versions will be needed as Australians get vaccinated is still up for debate. The Australian government announced a preference for the Pfizer vaccine for Australians under 50 amid concerns of rare blood clots potentially linked to the AstraZeneca vaccine. In economic news, February employment numbers surged by 88,700, accentuated by the fact that the entire increase came from full-time jobs with employment now above the pre-pandemic level. As widely expected, the RBA maintained its current accommodative monetary policy settings at its April meeting. The board noted that it remains committed to the 3-year government bond yield target of 0.10% but will consider whether it retains the April 2024 bond or shift to the next maturity date. Preliminary building permits jumped 21.6% in February, soundly beating expectations of 5.0% and reversing from a 19.4% slump in January. New Zealand announced plans to open a two-way, quarantine-free trans-Tasman travel bubble, with the option to continue, pause or suspend if a case is detected in Australia.

Market Update

EQUITY MARKETS

- Australia's S&P/ASX 200 Index rose 2.4% in March, led by the Consumer Discretionary (+7.0%) and Utilities (+6.8%) sectors.
- The US S&P 500 Index gained 4.4% in March in US dollar terms and pushed above 4000 points at the start of April to hit fresh all-time highs.
- In Europe, Germany's DAX 30 Index rallied 8.9%, while France's CAC 40 Index rose 6.5% and the UK's FTSE 100 Index rose 4.2%.
- In Asian markets, Japan's Nikkei 225 Index rose 1.4% while Hong Kong's Hang Seng Index fell 1.8% and China's CSI 300 Index dropped 5.4%.
- Global developed market shares rose 5.1% in March while emerging market shares were mostly flat in Australian dollar terms.

Australian equities

	Index/Benchmark (% pa)	1 Year	3 Years	5 Years	7 Years
Australian	S&P/ASX 200 Acc.	2.44%	37.47%	9.65%	10.25%
	S&P/ASX 50 Acc.	2.49%	32.88%	9.70%	9.81%
	S&P/ASX Small Ordinaries Acc.	0.79%	52.15%	8.33%	10.69%

Australian shares extended their rally through March, gaining 2.4%, but could not keep pace with global markets, which have been buoyed by the vaccine story. In Australia, very low levels of community transmission and the rollout of the vaccine program have delivered a boost to optimism, particularly for sectors directly linked to the re-opening of the economy such as consumer discretionary and industrials. Meanwhile, companies that benefited from Covid-19 (e.g. Coles and JB Hi-Fi) will have higher comparable sales to meet in upcoming result periods. In stock-related news, Macquarie Infrastructure Group and Aware Super launched a bid for Vocus and the market received further details on Telstra's proposal to restructure its business model. AGL announced plans to create two energy businesses focused on executing distinct strategies via a structural separation. The 'New AGL' will deliver electricity, gas, internet and mobile services to more than 30% of Australian households. Sydney Airport released traffic performance numbers for February showing total passenger traffic down 79.8% on the prior corresponding period. China confirmed it will place a tariff of 175.6% on Australian wine exports in bottles and containers holding less than two litres. Treasury Wine Estates made plans last year to divert most of its high-end wine from China to other Asian markets.

Investment Index/Benchmark returns*

S&P/ ASX 200 Index

Sector	1 Month	3 Months	1 Year
Energy	7.03%	8.77%	70.91%
Materials	6.81%	-1.84%	-10.03%
Industrial	6.56%	-0.47%	44.66%
Consumer Discretionary	6.24%	8.82%	34.99%
Consumer Staples	4.31%	12.15%	45.88%
Health Care	3.80%	-1.09%	20.02%
Financials (ex Property)	3.16%	0.43%	10.09%
Info Tech	2.51%	-2.34%	-0.38%
Telcos	0.02%	3.78%	44.20%
Utilities	-2.95%	-11.27%	85.40%
Property	-3.01%	2.96%	55.84%

*Total returns based on GICS sector classification

Market Update

BIG MOVERS THIS MONTH

Going up

- ⇑ Consumer Discretionary +7.0%
- ⇑ Utilities +6.8%
- ⇑ Property +6.6%

Going down

- ⇓ Materials -3.0%
- ⇓ Information Technology -3.0%

Global Equities

	Index/Benchmark (% pa)	1 Month	1 Year	3 Years	5 Years	7 Years
Global	MSCI World Ex Australia Index (AUD)	5.09%	23.55%	13.16%	13.67%	13.01%
	MSCI World Ex Australia Index (LCL)	4.25%	51.08%	13.32%	13.42%	10.77%
	MSCI World Ex Australia Small Cap Index (AUD)	3.85%	45.39%	11.83%	13.91%	12.67%
Emerging	MSCI Emerging Markets Index (AUD)	0.11%	27.28%	6.73%	12.29%	9.61%
	MSCI AC Far East Index (AUD)	0.11%	19.60%	8.13%	12.75%	11.97%

Following the March 2020 low, the subsequent rebound in global markets was initially fuelled by growth companies in technology and healthcare that performed well as the pandemic swept across the globe and strict lockdown measures were implemented in most countries. As vaccines continue to roll out globally, the rebound has shifted to more cyclical areas of the market that are expected to perform strongly as the world returns to 'normal'. In the US, the style rotation has been most strongly depicted in the performance disparity between the 'old economy' Dow Jones Industrial Index, which rose 8.3% in the March quarter, and the 'new economy' NASDAQ Composite Index, which rose 1.8%. The rotation is being aided by rising bond yields, which challenge the lofty valuations that have been assigned to growth assets, especially in the technology sector. Chinese shares remain under pressure as markets express concerns around potential policy normalisation as the economy recovers from the pandemic. In addition, uncertainty surrounding potential regulation for some industries and ongoing geopolitical tensions continue to dampen investor sentiment in the region. Emerging markets were weak in March, rising only 0.1% in Australian dollar terms, but have outperformed developed market shares over the past 12 months.

Property

	Index/Benchmark (% pa)	1 Month	1 Year	3 Years	5 Years	7 Years
Australian	S&P/ASX 300 A-REIT Acc	6.56%	44.66%	7.60%	5.56%	10.13%
Global	FTSE EPRA/NAREIT Developed Ex Australia Index (AUD Hedged)	3.88%	29.45%	4.35%	3.65%	6.00%

Debate in global property markets has turned to office markets and how the pandemic may have changed demand for office space on a permanent basis. While the return to work in CBDs is progressive, there is a growing realisation that more flexibility to include working from home arrangements is both possible and desired. As companies plan ahead and leases come to an end, there is already demand for core space plus an option for a flexible amount. After selling off heavily in early 2020, retail property REITs have had bursts of recovery during the last six months as investors react to a vaccine-led recovery. Food and necessity-based shopping centres have continued to trade well and remain in demand by investors. Shopping strips and malls with a high proportion of discretionary spending have been hard hit, and owners face a period of readjustment in tenant mix and rentals. In Australia, the residential housing market has been a surprising area of strength. The combination of a 'lower for longer' cash rate and a shortage of supply in the secondary market has seen prices escalate quickly, although this may seem at odds with the underlying economic conditions in Australia where JobKeeper and other support have now ended and banks require mortgages to be serviced after a brief hiatus for those in need.

Fixed Interest

	Index/Benchmark (% pa)	1 Month	1 Year	3 Years	5 Years	7 Years
Australian	Bloomberg AusBond Composite 0+ Yr Index	0.80%	-1.81%	3.98%	3.46%	4.30%
	Bloomberg AusBond Bank Bill Index	0.00%	0.11%	1.12%	1.40%	1.71%
Global	Bloomberg Barclays Global Aggregate Index	-0.31%	-15.89%	3.04%	2.86%	4.90%
	Bloomberg Barclays Global Aggregate Index AUD	-0.42%	1.14%	3.76%	3.26%	4.41%

Once again, the bond market is proving a critical barometer of the market's mood. The US 10-year Treasury yield has risen from around 0.9% at the end of 2020 to over 1.7% at the end of March 2021, which is consistent with the ongoing improvement in economic data. However, the rise in yields also reflects the market's concern about inflation, which has been exacerbated by the speed and scale of stimulus measures and questions around the ability of governments and central banks to withdraw or scale back these measures responsively. Demand for government bonds has proved resilient despite the flood of supply, although prices have been volatile and investors are watching how bond auctions play out following the lapse of bank regulatory exemptions that have done much to buoy the bond market since the start of the pandemic. In Australia, the RBA remains committed to the 3-year government bond yield target of 0.10%. The initial $100 billion government bond purchase program will finish in April and the second $100 billion program will commence. In the short term, the RBA expects CPI inflation to rise due to the reversal of some Covid-related price reductions, but beyond this anticipates that underlying inflation will remain below 2.0% in coming years.

Australian dollar

The Australian dollar was under pressure in March, softening 2.9% against the US dollar to end the month at around USD 0.76. Rising Treasury yields in the US have been supportive of the greenback, while the risk-on sentiment has also supported 'commodity currencies' like the Australian dollar in recent months. Both the RBA and US Federal Reserve remain highly accommodative.

Smart super strategies for this EOFY

2020/21

With June 30 fast approaching, it's time to start thinking about your super for another year. We've put together five smart strategies that may benefit you now, and help boost your super.

Strategy	This may be right if you …	How to use this strategy	The benefits may include
1. Add to your super and get a tax deduction	Are employed, self-employed or earn taxable income from other sources (such as investments)	Make an after-tax super contribution and claim a tax deduction	• Pay less tax on your income • Increase your retirement savings
2. Get more from your salary or bonus	Are an employee	Arrange for your employer to contribute some of your pre-tax salary or a bonus into super, as part of a salary sacrifice agreement	• Pay less tax on your salary or bonus • Increase your retirement savings
3. Convert your savings into super savings	Have money outside your super that you'd like to invest for retirement	Make an after-tax super contribution	• Pay less tax on investment earnings • Increase your retirement savings
4. Get a super top-up from the Government	Earn[1] less than $54,838 pa from your job or business	Make an after-tax super contribution	• Receive a Government co-contribution of up to $500 • Increase your retirement savings
5. Boost your spouse's super and reduce your tax	Have a spouse who earns[1] less than $40,000 pa	Make an after-tax contribution into your spouse's super account	• Receive a tax offset of up to $540 • Increase your spouse's retirement savings

To use any of these strategies you'll need to meet certain conditions. Contribution caps and thresholds are also increasing from 1 July 2021. This may impact contribution strategies and should be considered when deciding whether to contribute in FY 2020/21. A financial adviser can assess your eligibility and help you decide which strategies are appropriate for you.

The tax advantages of saving in super

Saving more in super can come with tax and other benefits this financial year – but that's just the start.

Once money is invested in super, earnings are taxed at a maximum rate of 15% – instead of your marginal tax rate, which may be up to 47%[2].

This low tax rate can help you build up savings for your retirement.

When you do retire, you can also transfer your super into a 'retirement phase' pension[3]. Here, you won't pay tax on investment earnings, and any income payments you receive from age 60 onwards are tax-free.

Tips and traps

Before you add to your super, keep in mind you won't be able to access the money until you meet certain conditions.

There are caps on how much you can contribute to super each year. It's important to take the caps into account, as penalties may apply if you exceed them.

Make sure any contributions you want to make this financial year are received by your fund before June 30. With electronic transfers (including BPAY), the contribution takes effect the day your super fund receives the money, not the day you make the transfer.

Other eligibility criteria and conditions apply in relation to these strategies. Further information can be found on the Australian Taxation Office website **ato.gov.au**.

Getting advice

You'll need to meet certain conditions before you can benefit from any of these strategies. A financial adviser can help assess your eligibility for using these strategies, explain the different options available to you in detail and help you decide which strategies are appropriate for you.

[1] Includes assessable income, reportable fringe benefits and reportable employer super contributions. Other eligibility conditions apply.

[2] Includes Medicare levy.

[3] There is a limit on the total amount that can be transferred to retirement phase in a person's lifetime. This limit is $1.6 million in FY 2020/21 (subject to indexation) and increasing to $1.7 million in FY 2021/22.

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