rise financial

Take Control - With Your Independent Financial Adviser

Turbocharge your super before 30 June

More than half of us set a new financial goal at the beginning of 2025, according to ASIC's Moneysmart website. While most financial goals include saving money and paying down debts, superannuation should also be factored in as part of your overall saving strategy.

The months leading up to 30 June provide an opportunity to review your current super balance to look at ways you could help boost your retirement savings.

What you need to consider first

If you have more than one super account, consolidating them to one account may be an option for you. Consolidating your super could save you from paying multiple fees, however, if you have insurance insider super, you may be at risk of losing it, so contact us before you make any changes.

When transferring super into one account, do your homework and shop around, your current fund may not be your best option.[i]

Compare the fees and charges of other funds and if you have insurance within your super, find out whether your insurance is affected if you move.

If you need to consolidate or transfer super funds, you can do this through your myGov account. If you're unsure which fund is best suited to you, it's a good idea to seek advice to make sure your new fund is appropriate for you, so give us a call and we'd be happy to help with that.

How to boost your retirement savings

Making additional contributions on top of the super guarantee paid by your employer – whether big or small, could bring a host of benefits and make a big difference to your retirement balance thanks to the magic of compounding interest.

There are a few ways to boost your super before 30 June:

Concessional contributions (before tax)

These contributions can be made from either your pre-tax salary via a salary-sacrifice arrangement through your employer or using after-tax money and depositing funds directly into your super account.

By arranging to have some of your pre-tax salary paid directly into your super, in addition to your super guarantee payment, you reduce your taxable income and therefore pay less tax. Your contributions are taxed in the super fund at 15 per cent, which may be less than your marginal rate.[ii]

Check to see what your current year to date contributions are so any additional contributions you may make don't exceed the concessional (before-tax) contributions cap, which is $30,000 from 1 July 2024.[iii]

Non-concessional contributions (after tax)

This type of contribution is also known as a personal contribution. It is important not to exceed the cap on contributions, which is set at $120,000 from 1 July 2024.[iv]

The non-concessional contributions cap (after tax) is set at $120,000 from 1 July 2024.[v]

Exceeding the non-concessional contributions cap will see a tax of 47 per cent levied on the excess contributions.

Carry forward (catch-up) concessional contributions

If you've had a break from work or haven't reached the maximum contributions cap for the past five years, this type of super contribution could help boost your balance – especially if you've received a lump sum of money like a work bonus.

These contributions are unused concessional contributions from the previous five financial years and only available to those whose super accounts are less than $500,000.

There are strict rules around this type of contribution, and they are complex so it's important to get advice before making a catch-up contribution. To be eligible you:

- need to be under the age of 75 – your contribution must be received by your super fund on or before 28 days following the end of the month you turn 75
- can only carry forward unused concessional contributions from 1 July 2019
- must have a super balance less than $500,000 on 30 June of the previous financial year (eg 30 June 2024 for the 2024/25 financial year)

Meanwhile, the fate of a proposed new tax, known as Division 296, applying to super balances over $3 million is still unknown. It has yet to be debated and go to a vote in the Senate.

Downsizer contributions

If you are over 55 years, have owned your home for 10 years and looking to sell to downsize, you may be able to make a non-concessional super contribution of as much as $300,000 per person - $600,000 if you are a couple. While this strategy isn't reliant on the 30 June deadline, you must make the contribution to you super within 90 days of receiving the proceeds of the sale of your home.

Spouse contributions

There are two ways you can make spouse super contributions, you could:

- split contributions you have already made to your own super, by rolling them over to your spouse's super – known as a contributions-splitting super benefit, or
- contribute directly to your spouse's super, treated as their non-concessional contribution, which may entitle you to a tax offset of $540 per year if they earn less than $40,000 per annum

Again, there are a few restrictions and eligibility requirements for this type of contribution. So, seize the moment and avoid the set-and-forget approach to super. Taking action today could make a big difference to your retirement.

Get in touch for more information about your options and for help with a super strategy that could help you achieve a rewarding retirement.

How long-term performance affects your savings

Reviewing your superannuation fund's performance regularly can pay off in the long term to ensure your investment suits your needs.

It doesn't mean that you should constantly change your fund to chase better returns but rather check to see that your fund is performing well in comparison to other funds.

i https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/keeping-track-of-your-super/transferring-or-consolidating-your-super

ii https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/how-to-save-more-in-your-super/salary-sacrificing-super

iii https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/caps-limits-and-tax-on-super-contributions/concessional-contributions-cap

iv https://www.ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/growing-and-keeping-track-of-your-super/caps-limits-and-tax-on-super-contributions/non-concessional-contributions-cap

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