Fact sheet

PERSONAL FINANCIAL SERVICES SINCE 2001

What are the limits on superannuation contributions?

Superannuation rules limit the amount of money that you can contribute into the tax advantaged superannuation system. These figures are valid for the 2024-25 financial year.

Concessional contributions

Concessional contributions are amounts paid into your superannuation that receive a concessional (or lower) tax rate. They are contributions made into your super from money that is yet to be taxed such as your salary or wages.

There are several types of concessional contributions. The most common are employer contributions, salary sacrificed amounts and contributions you are allowed as a tax deduction (also known as a personal deductible contribution).

A limit of $30,000 applies to concessional contributions for the current financial year. This limit may be increased by catch up concessional contributions.

When a concessional contribution is made into your superannuation, 15 percent tax is deducted by the superannuation fund. i.e. if you make a $10,000 concessional contribution, the net amount added to your super is $8,500.

If you access these amounts under age 60, additional tax may be payable.

> If you are making personal deductible contributions between age 67 and 74, you must satisfy a work test, or alternatively satisfy the work test exemption. You'll satisfy the work test if you have been gainfully employed for at least 40 hours in any period of 30 consecutive days during the income year in which the contribution was made.
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> To be eligible for the work test exemption, you must have satisfied the work test in the previous financial year and your total superannuation balance at the beginning of the financial year is less than $300,000.

Non-concessional contributions

Non-concessional contributions are amounts added to your superannuation from money that has already been taxed e.g. personal savings. Included are personal contributions you have not claimed as a tax deduction and spouse contributions.

You must be aged under 75 to make non-concessional contributions. The amount you can contribute in a financial year is determined by your total super balance on 30 June of the previous financial year.

Non-concessional contribution limits and bring forward period:

Total super balance on 30 June previous year	Non-concessional cap for the first year	Bring forward period
Less than $1.66m	$360,000	3 years
At least $1.66m but less than $1.78m	$240,000	2 years
At least $1.78m but less than $1.9m	$120,000	No bring-forward period.
Greater than $1.9m	Nil	Not applicable

Based on your total super balance on 30 June of the previous year, you may be eligible to 'bring forward' two future years worth of annual non-concessional contributions ($120,000) for use in the current financial year.

If you use the 'bring forward' provision, you cannot contribute more than the combined $360,000 limit over those three financial years. You are not eligible to trigger the 'bring forward' provision if you are in an existing bring forward period.

Non-concessional contributions are not taxed in the fund and once accessible, can be withdrawn tax-free.

Rolling your superannuation over to commence an income stream

The transfer balance cap limits how much super can be transferred from your accumulation account into tax-free retirement phase pensions. The general transfer balance cap is currently $1.9 million.

Your personal transfer balance cap may differ if your first ever retirement phase pension was commenced before 1 July 2023.

The Low-Income Superannuation Tax Offset (LISTO)

If you have adjusted taxable income less than $37,000 p.a. and at least 10 percent of your income comes from employment or business activities, you may qualify for the LISTO.

This effectively refunds up to $500 of tax deducted from concessional contributions (15 percent on first $3,333 of contributions). This is refunded directly into your superannuation fund to boost your savings.

The Government co-contribution

If you are a low to middle income earner and you make a personal after-tax contribution to superannuation you may be eligible for a Government co-contribution. The maximum Government co-contribution is $500, payable at a rate of 50 cents for every $1 of eligible contributions that you make.

The co-contribution reduces by 3.333 cents for every dollar that your adjusted taxable income exceeds $45,400, with no co-contribution payable when your income reaches $60,400.

Catch up concessional contributions

You may contribute more than the general concessional contributions cap by accessing unused concessional contributions accrued since 1 July 2018 onwards. To be eligible, you must have a total superannuation balance of less than $500,000 on 30 June of the previous financial year and unused concessional cap amounts accrued from 1 July 2018 onwards. In the 2024-25 financial year that we are in now, you will be able to use any unused concessional contributions accrued from 1 July 2019 onwards.

These carry forward unused amounts are available for a maximum of five years and after this period, will expire.

For more information, refer to 'What are catch-up concessional contributions?' fact sheet.

Concessional contributions for high income earners

If your income plus concessional contributions (within cap limits) exceed $250,000, you will be charged an additional 15 percent tax on the contributions that take your income above the $250,000 threshold.

Work test

To meet the work test, you must be gainfully employed for at least 40 hours during a consecutive 30 day period in the financial year in which the contributions are made.

Downsizer contributions

If you are over the age of 55, you are able to contribute up to $300,000 to superannuation from the sale proceeds of your principal residence. You can only use this for one home and the home must have been owned for at least 10 years. A couple may contribute up to $300,000 each.

Downsizer contributions do not count towards contribution limits. You can also make this contribution without needing to meet a work test.

For more information, refer to 'What is a downsizer contribution?' fact sheet.

Penalties for exceeding contribution caps

Excess concessional contributions are taxed at your marginal tax rate. You can elect to withdraw up to 85 percent of your excess contributions, or leave the amount in your fund, where it will also be counted against your non-concessional contributions cap.

Excess non-concessional contributions are taxed at 45 percent (plus Medicare) unless you withdraw the excess amount plus 85 percent of associated earnings. The associated earnings are taxed at your marginal tax rate.

Spouse contributions

If your partner's relevant income is $37,000 or less, they have less than $1.9 million in super and have not exceeded their non-concessional cap for the year, you could qualify for a tax offset of up to $540 on the first $3,000 you contribute to superannuation for them from your after-tax income. The available tax offset reduces as your partner's income increases above $37,000 p.a. and phases out when their income reaches $40,000 p.a.

For more information, refer to 'What are spouse contributions?' fact sheet.

Your age at time of contribution	Concessional	Non-concessional	Transfers/ rollovers	Government co-contribution	Downsizer
Under 67	Yes	Yes	Yes	Yes	Yes, if aged over 55
67-69	Yes, work test applies*	Yes	Yes	Yes	Yes
70-74	Yes, work test applies*	Yes	Yes	No**	Yes
75 or over***	No – unless mandatory SG contribution	No	Yes	No	Yes

* You are required to meet the work test in the financial year you contribute. You meet the work test if you have been gainfully employed for at least 40 hours in a period of not more than 30 consecutive days in the financial year in which the contribution is made (subject to the work test exemption).

** Still applies if you are under age 71 at the end of the financial year in which a non-concessional contribution is made to receive a government co-contribution.

***Includes the period 28 days after the month in which a member turns 75.