



Claiming deductions for personal super contributions

- <https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/> (<https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/>)
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Claiming deductions for personal super contributions

You may be able to claim a tax deduction for personal contributions you make to your superannuation (super).

This includes people who get their income from:

- salary and wages
- a personal business (for example, self-employment)
- investments (including interest, dividends, rent and capital gains)
- government pensions or allowances
- super
- partnership or trust distributions
- a foreign source.

Find out about:

- [Are you eligible to claim a deduction?](#)
- [How to make a claim](#)
- [How to vary your notice](#)
- [Splitting amounts to your spouse](#)

- The effects of claiming a deduction

Are you eligible to claim a deduction?

- <https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=2> (<https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=2>)
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You are eligible to claim a deduction for personal super contributions if:

- contributions made prior to 1 July 2017 were made to a complying super fund or a retirement savings account (we'll refer to both as 'your fund')
- for contributions made on or after 1 July 2017, you made the contributions to your fund that was not a
 - Commonwealth public sector superannuation scheme in which you have a defined benefit interest
 - [Constitutionally protected fund \(/Individuals/Super/In-detail/Growing/Super-contributions---for-defined-benefit-funds-and-untaxed-funds/?page=6\)](/Individuals/Super/In-detail/Growing/Super-contributions---for-defined-benefit-funds-and-untaxed-funds/?page=6) or other untaxed fund that would not include your contribution in its assessable income
 - super fund that notified the Commissioner before the start of the income year that they elected to either treat all member contributions to the
 - super fund as non-deductible
 - the defined benefit interest within the fund as non-deductible
- for contributions made prior to 1 July 2017 your earnings as an employee were less than the maximum allowed
- you meet the age restrictions
- you have notified your fund of the amount you intend to claim as a deduction
- your fund has acknowledged your notice of intent to claim a deduction.

Earning income as an employee

For contributions made prior to 1 July 2017 you cannot claim a deduction if, during the income year, you obtained 10% or more of the total of the following as an employee:

- your assessable income
- your reportable fringe benefits

- your total reportable employer superannuation contributions.

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

From 1 July 2017 the requirement that you derive less than 10% of your income from employment sources has been abolished and regardless of your employment arrangement you may be able to claim a tax deduction. Those aged 65 to 74 will still need to meet the [work test \(https://www.ato.gov.au/Definitions/#P1358-111493\)](https://www.ato.gov.au/Definitions/#P1358-111493) in order to be eligible to make a contribution and claim a tax deduction.

Example 1: The 10% salary and wages threshold

Bob runs a business as a promoter. During 2016–17, he earned \$70,000 assessable income from his business.

He also worked as an employee for another promoter, where he earned \$6,500 before tax.

Bob is eligible to claim a deduction for his personal super contributions, as the income from his employment with the other promoter (\$6,500) is less than 10% of his combined assessable income, reportable fringe benefits and reportable employer super contributions ($\$76,500 \times 10\% = \$7,650$).

Example 2: Not required to meet 10% salary and wages threshold

Todd is a fulltime dental assistant. During 2017–18, he earned \$50,000 before tax. Todd has no other income.

Todd makes a personal contribution to an eligible superfund and notifies them that he intends to claim a deduction.

Todd's superfund acknowledges that Todd will claim a \$15,000 deduction and taxes the contribution at 15%.

Todd is eligible to claim a deduction for \$15,000 and does this in his 2018 tax return.

See also:

- [Assessable income \(/individuals/income-and-deductions/income-you-must-declare/\)](#) (income you must declare)
- [Reportable fringe benefits – facts for employees \(/general/fringe-benefits-tax-\(fbt\)/in-detail/employees/reportable-fringe-benefits---facts-for-employees/\)](#)
- [Guide for employees and self-employed – reportable superannuation contributions \(/Individuals/Super/In-detail/Growing/Guide-for-employees-and-self-employed---reportable-superannuation-contributions/\)](#)

Age restrictions

If you are aged 75 years or older, 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 also earned income as an employee or a business operator during the year.

What you can't claim

You cannot claim deductions for:

- a rolled-over super benefit
- a benefit transferred from a foreign super fund
- a directed termination payment paid into a super plan by an employer under transitional arrangements that applied until 30 June 2012
- contributions paid by your employer from your before-tax income (including the compulsory super guarantee and [salary sacrifice \(/Individuals/Super/Growing-your-super/Adding-to-my-super/Salary-sacrificing-super/\)](#) amounts)
- from 1 July 2017, contributions to a
 - Commonwealth public sector superannuation scheme in which you have a defined benefit interest
 - a super fund that would not include the contribution in their assessable income, such as an untaxed fund
 - other superannuation funds or contributions specified in the regulations.

How to make a claim

- <https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=3> (<https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=3>)
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If you want to claim a tax deduction for your personal super contributions, you must first notify your fund that you intend to do so. The notice you give to your fund must be both valid and in the approved form.

You can give a valid notice to your fund if all of the following apply.

- You are still a member of that fund.
- The fund still holds the contribution. Note that special rules apply for full or partial voluntary rollovers, and situations where there has been a successor fund transfer or a MySuper transfer.
- The notice does not include all or part of an amount covered by a previous notice.
- The fund has not begun to pay you a super income stream based in whole or in part on the contribution.
- You have not lodged an application (which hasn't yet been dealt with by the fund) to split the contribution for which you intend to claim a deduction.

Approved form for making a claim

You can provide your notice in the approved form by either:

- completing a [Notice of intent to claim or vary a deduction for personal super contributions \(/Forms/Notice-of-intent-to-claim-or-vary-a-deduction-for-personal-super-contributions/\)](#) (NAT 71121)
- using your fund's own paper form
- writing to your fund, stating you wish to claim a tax deduction for your personal super contributions and including the following
 - your first name
 - your family name
 - your date of birth
 - your fund name
 - your fund member account number
 - the financial year in which the personal contributions were made
 - the total amount of personal contributions made to the fund in that financial year
 - the amount of these personal contributions you intend to claim as a tax deduction
 - a declaration that you are lodging this notice by the due date
 - a statement that the information contained in your letter is true and correct
 - your signature

- the date (day, month and year)
- completing an electronic form on your fund's website, if available (check with your fund to ensure they developed their form according to our guidelines).

When to give your notice of intent

You must give a notice of intent to claim or vary a deduction to your fund by the earlier of the following:

- the day you lodge your tax return for the year in which you made the contributions
- the end of the income year following the one in which you made the contributions.

Your fund must send you a written acknowledgment, telling you they have received a valid notice from you. You must receive the acknowledgment from your fund before you claim the deduction on your tax return.

How to complete your tax return

When you complete your tax return, you can claim a deduction for the amount of the contribution stated in your notice. If you want to claim an amount that is different (more or less) than what the notice says, you can vary your notice (see [How to vary your notice](#)).

Make sure that you claim your deduction at the correct label in your tax return. Deductions for personal super contributions must be claimed at [Personal superannuation contributions \(/D12-PersonalSuperannuationContributions-redirect\)](#) in the *Individual tax return supplement*.

If you are lodging through Mytax the deduction must be claimed at Personal super contributions.

Not claiming your super deductions at the correct label may result in:

- an incorrect super co-contribution determination or excess contributions tax assessment
- an additional tax liability
- the imposition of a tax shortfall penalty.

How to vary your notice of intent

- <https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=4> (<https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=4>)
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You can vary your notice of intent to claim a deduction, but only to **reduce** the amount stated in the notice. You can vary the amount by reducing it, including to nil, but you cannot revoke or withdraw the notice.

If you want to **increase** the amount you intend to claim as a deduction, you do not give your fund a variation notice. Instead, you give a second notice specifying the additional amount you wish to claim. This second notice is subject to the due date for lodging.

To vary your notice of intent to claim a deduction, you may complete a [Notice of intent to claim or vary a deduction for personal super contributions \(/Forms/Notice-of-intent-to-claim-or-vary-a-deduction-for-personal-super-contributions/\)](#) (NAT 71121) and give it to your fund.

Alternatively, you can use your fund's own form, or write to your fund. If you're writing a letter to your fund, you must include:

- the information that was in your original notice
- a statement that you wish to vary your previous notice to reduce the amount of personal contributions for which a tax deduction will be claimed
- the amount you now intend to claim (which may be nil).

Required date for varying your notice

You can vary a notice up until the due date for lodging a claim (see [When to give your notice](#)).

However, if the deduction you claimed is not allowable, in whole or in part, you can vary your notice after the required date to reduce the amount stated in the notice by the amount not allowable.

You **cannot** vary your notice of intent if:

- you are no longer a member of the fund or the holder of a retirement savings account
- the trustee
 - no longer holds the contribution
 - has begun to pay a super income stream based wholly or in part on the contribution.

Your fund will send you written acknowledgment after receiving your valid notice of intention to vary your deduction for personal super contributions.

Splitting amounts to your spouse

- <https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=5> (<https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=5>)
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If you're planning to split all or part of your contributions with your spouse but you also want to claim a tax deduction for them, you must give the notice of intent to claim a deduction first.

After you have notified your fund of your intention to claim a deduction, you can then lodge a [Superannuation contributions splitting application \(/Forms/Contributions-splitting/\)](#) (NAT 15237) with them.

If you lodge these the other way round and your fund has accepted your application to split your contributions, they cannot accept the notice to claim a deduction.

The effects of claiming a deduction

- <https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=6> (<https://www.ato.gov.au/Individuals/Super/In-detail/Growing/Claiming-deductions-for-personal-super-contributions/?page=6>)
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Find out about the effects of claiming a deduction for your super contributions.

Taxable income

When you complete your tax return, your deductions reduce your taxable income and consequently reduce the amount of tax you need to pay.

Treatment in the fund

Personal super contributions you claim as a tax deduction are included in your fund's assessable income and are taxed at the rate of 15%. Your fund will withhold this amount from your super account.

Government super payments

If you claim a deduction for a personal contribution:

- made before 1 July 2017, you may be eligible for a low-income super contribution on the amount that you claim
- from 1 July 2017, you may be eligible for a low income superannuation tax offset on the tax paid on the contribution.

However, you will not be eligible for a super co-contribution on the amount.

See also:

- [Super co-contribution \(/Individuals/Super/In-detail/Growing/Super-co-contribution/\)](#)

Contributions caps

There is no limit on the amount you can claim as a deduction. However, there are caps on the amount of super contributions you can make before you pay extra tax.

See also:

- [Super contributions – too much can mean extra tax \(/Individuals/Super/In-detail/Withdrawing-and-paying-tax/Super-contributions---too-much-can-mean-extra-tax/\)](#)

Division 293

If your income is more than \$250,000 you may have to pay an additional 15% tax on your super contributions.

See also:

- [Division 293 tax – information for individuals \(/individuals/super/in-detail/withdrawing-and-paying-tax/division-293-tax---information-for-individuals/\)](#)

Income tests

If you claim an income tax deduction for your personal contributions, the deductible personal contributions will count towards your reportable super contributions. As a result, the deduction will affect your income for the purpose of some tax offsets, deductions, concessions, the Medicare levy surcharge, and certain government benefits and obligations.

See also:

- [Guide for employees and self-employed – reportable superannuation contributions \(/Individuals/Super/In-detail/Growing/Guide-for-employees-and-self-employed---reportable-superannuation-contributions/\)](#)
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Example 3: Effects of claiming a deduction prior to 1 July 2017

During 2014–15 Fred is self-employed and earns \$35,000 in assessable income. Fred is eligible to claim a deduction for personal super contributions, as less than 10% of his assessable income, reportable fringe benefits and reportable employer super contributions is from wages or salary.

Fred contributes \$1,000 to his super fund. If he wanted to claim an income tax deduction for the super contribution, he would lodge a notice of intent to deduct and receive a valid acknowledgment from his fund. Having done this, Fred could claim a tax deduction of \$1,000, making his assessable income \$34,000. However, his fund would pay 15% tax on the \$1,000, so only \$850 would be credited to Fred's super fund account. Additionally, Fred would not be eligible for a super co-contribution.

If Fred decided he didn't want to claim a personal income tax deduction for the \$1,000, he wouldn't lodge a notice of intent to deduct. This would mean:

- his taxable income would be \$35,000
- his fund would not have to pay 15% tax on the \$1,000, so the full \$1,000 would be credited to his account
- he would be eligible for the super co-contribution, so the government would pay his co-contribution entitlement into his super account
- he would be eligible for a low income super contribution.

Example 4: Effects of claiming a deduction after 1 July 2017

During 2017–18 Christie is employed as a fulltime hairdresser and earns \$40,000 in assessable income. Christie is eligible to claim a deduction as she is not required to meet the 10% income test.

Christie contributes \$5,000 to her super fund as a personal contribution. If she wanted to claim an income tax deduction for the super contribution, she would lodge a notice of intent to deduct and receive an acknowledgment from her fund. Having done this, Christie could claim a tax deduction of \$5,000, making her taxable income \$35,000. However, her fund would pay 15% tax on the \$5,000, so only \$4,250 would be credited to Christie's super fund account. Additionally, Christie would be eligible for the low income superannuation tax offset, so the government would refund her offset into her super account. However, she would not be eligible for a super co-contribution.

If Christie decided to claim a personal income tax deduction for \$4,000 instead of the entire \$5,000, this would mean:

- her taxable income would be \$36,000
- her fund would have to pay 15% tax on the \$4,000, so \$4,400 would be credited to her account
- she may be eligible for the super co-contribution in respect of the \$1,000 that was not claimed as a deduction, in which case the government would pay her co-contribution entitlement into her super account
- she would be eligible for the low income superannuation tax offset, so the government would refund her offset into her super account.

See also:

- [Super co-contribution \(/Individuals/Super/In-detail/Growing/Super-co-contribution/\)](#)
- [Low income super contribution \(/individuals/super/in-detail/growing/low-income-super-contribution/\)](#)

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