

Year end superannuation strategies



The end of the financial year is fast approaching, meaning that its time to once again visit strategies to help boost your superannuation savings.

Strategy 1

Consider transferring assets held in your own name into your superannuation fund. Depending upon the type of fund you hold, this may be by making a cash contribution or transferring assets in-specie into your fund. The result will be a reduction in the income earned in your name, thereby reducing the tax you pay at marginal rates of up to 46.5%. The future earnings on that asset will then be in the super fund, which pays tax at only 15%.

Strategy 2

Consider making a non-concessional (after tax) contribution to superannuation. If you earn less than \$58,980 and meet certain conditions, you may qualify for the government co-contribution. To take advantage of this you will need to contribute up to \$1000 to superannuation from your savings. Upon qualifying, the government may add up to \$1,500 to your superannuation, giving you a return of 150%.

Strategy 3

Consider contributing money to your spouse's superannuation. If your spouse earns less than \$10,800 you can place up to \$3,000 into their superannuation, and then claim a tax rebate of up to \$540, an 18% return. The rebate reduces if your spouse earns more than the \$10,800, cutting out completely at \$13,800. This is a great way to boost your spouse's retirement savings.

Strategy 4

Consider sacrificing some of your salary to superannuation. By having some of your salary paid directly to superannuation, you can reduce the overall amount of tax you pay, while boosting your retirement savings. When receiving your salary as cash, you may be loosing up to 46.5% in tax. If some of your salary was paid directly to superannuation by your employer, it would only be taxed at 15%. A saving of up to 31.5%

Strategy 5

If you earn less than 10% of your income from employment you should consider making a concessional contribution to superannuation.

This is a contribution that you claim as a tax deduction when completing your personal tax return. It is a perfect way to reduce your income tax, especially if you have sold an asset and realised a capital gain for example. When the contribution is made to a superannuation fund it will be subject to 15% contributions tax.

Strategy 6

When was the last time you reviewed your personal insurance? Did you review how tax effective it is? Life and Total and Permanent Disablement insurance can be purchased via superannuation. This can make the insurance both tax effective and cost effective.

Premiums for cover within superannuation are generally lower than those outside superannuation.

Because of the general tax advantages of superannuation, cover inside superannuation is usually more tax effective as well.

By switching your cover to superannuation, you may be able to increase your cover, without increasing the premium cost.

Strategy 7

Seek professional help to review your superannuation strategy. Before implementing any of these strategies, you should discuss with your WHK Financial Planner how you can make best advantage of strategies like the ones discussed here. There are some restrictions as to level of contributions and when the money can be accessed again that need to be carefully considered before acting. Your WHK Financial Planner is perfectly placed to help you.

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Business Development Function

Growing Your Business Together

WHK Armitage Downie's Sale office recently hosted a business networking evening.

Attended by over 200 local business people, the evening provided an opportunity for clients and local business people to meet with WHK Armitage Downie staff in an informal environment.

Respected media commentator and former AFL coach Kevin Sheedy was the guest speaker for the evening. Kevin shared his views on leadership and success.

WHK Armitage Downie Principals', Trevor Gordijn and Robin Lowe, also made presentations.

Topics covered throughout the evening included:

- Key ingredients for personal and/or team success, in context of either a sporting and/or business environment;
- How to create and maintain a high performance culture;
- How to develop and manage a successful team, and
- How to inspire the right attitude, enthusiasm and motivation at a personal and team level.



Photos (clockwise from left): Darrin & Kerry Wilson, Push n' Pedal & Robin Lowe, WHK Armitage Downie. Geoff Wake, Sale Lighthouse; Brooke Said, WHK Armitage Downie; Kevin Sheedy; Cliff Simpkin, ANZ Bank. Max Hill & Debbie Grist, Gippsland Jobs; Brett McCarthey, Wellington Development.

A video presentation featuring WHK Armitage Downie staff and clients talking about the key to achieving sustained success was screened during the evening. This presentation was interspersed with images of many businesses who took advantage of the unique opportunity to have their business profiled.

After the formal presentation and speeches, many guests and Armitage Downie staff continued the evening with the opportunity to network.

The feedback received on the success of the evening from comments and evaluation forms was overwhelming.

"Thank you for the opportunity to attend last night & for the Bank to be included in the Business Directory. Both last night & last year's function were excellent. I appreciate that a lot of preparation would have gone into both nights & they were professionally done & reflect extremely well on the firm."

Jamie Murphy, Business Banking Manager Gippsland, Bendigo Bank

"What a great night – speaker was fantastic and much gained from him. The networking was really great. Your staff all need to be congratulated – most professional."

Tony Baillie, LJ Hooker

"You guys do a great job and are leaders in your field. We are very pleased to be associated with you. The evening you put on was a great night and we look forward to the next one. Thank you."

Dean & Robyn Billings, Novus Windscreens



"Last night's event was by all accounts a complete success and we would like to give our thanks for the work undertaken to make it so. Today I have spoken with three business owners outside of my normal clients and suppliers, these conversations have resulted in work for them and also our business. The benefit of this event not only strengthens our community ties, but proves again that the team at WHK Armitage Downie is focused on a total commitment to their clients. We are pleased to have been invited, to have had our company profiled so professionally and to have been given the opportunity to promote our business through your client list in such an enjoyable manner."

Lee Jameson, 594 Developments



Hailed as a successful evening, WHK Armitage Downie were able to support their local business community by providing a networking opportunity, and, at the same time, reward their clients and business contacts for their support throughout the year.



WHK Armitage Downie



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