

Salary Amendment for Accumulation Account Members

Changing your contributions

If you have an Accumulation account and the contributions¹ you and your employer are required to make, mean you will, or likely expect to, exceed the concessional contributions cap for the financial year, you have a couple of options to reduce the contributions that count towards the cap.

To change your contribution rate, you will need to complete the *Start or Change Regular Contributions to Your Super* form and give it to your payroll office. You can find the form on our website at qsuper.qld.gov.au, or call us to request a copy.

Salary amendment and contribution options

After you have reduced your contributions to the lowest available rate, your options include:

Option 1

If you salary sacrifice, you can choose to instead make after-tax (non-concessional) contributions. You will need to contact your salary packaging provider to change your salary sacrifice arrangements.

Option 2

If you wish to continue salary sacrificing or your employer contributions are in excess of the concessional contributions cap, you might be able to nominate a lower salary for superannuation purposes, making your employer contributions (including standard salary sacrifice contributions) equal to the concessional contributions cap.

If you choose option 2, after reading the rest of this factsheet, you and your employer will need to complete the *Salary for Superannuation Purposes Agreement* form (at the back of this factsheet), and send us a copy within the first four months of the financial year the agreement applies to.

If you send us the form after the financial year has started but within the first four months that the agreement applies to, you might need to consider any concessional contributions already made to your super when you're working out your nominated salary.

You should also bear in mind that if you are currently making non-concessional contributions and you decide to salary sacrifice these contributions, you might still exceed the concessional contributions cap, even if you have nominated a reduced salary.

For the 2020-21 financial year, the concessional cap is \$25,000. If you were to enter into an agreement with your employer to reduce your salary for superannuation purposes, you would need to elect a salary that will make the concessional contributions paid by you and/or on your behalf equal to the concessional contributions cap for the 2020-21 financial year. You may be entitled to 'carry-forward' concessional contributions. See our *Personal Contributions Guide* for further information.

Reducing your salary for concessional contributions cap purposes

It's important you know that you can only enter into an agreement to nominate a lower salary if your current contribution rate is the lowest rate available to you, and the corresponding employer contribution will result in you exceeding the concessional contributions cap. For example:

- You make standard contributions of 2% and your employer contributes 9.75%.
- You're a police officer making standard contributions of 3% and your employer contributes 12%.
- Your employer contributes 9.5%.

¹ Refer to the *Personal Contributions Guide* for more information.

Agreement is valid for one financial year

Keep in mind that if you want to enter into an agreement to nominate a reduced salary for super purposes, the salary you agree on needs to result in concessional contributions from your employer that are equal to the concessional contributions cap for the financial year. You and your employer will need to complete the *Salary for Superannuation Purposes Agreement* form (at the back of this factsheet) and send a copy to us within the first four months of each financial year the agreement applies to.

Income protection

If you have salary-based income protection cover, you might be eligible to receive a regular income payment of up to 87.75% of your insured salary¹ if you're temporarily unable to work due to an illness or injury. If you nominate a lower salary for super purposes, we'll use this as your insured salary when we determine your income protection benefit if you make a claim. You can apply for unitised cover to be insured for the full 87.75% of your pre-disability income by completing an *Insurance Personal Statement* form. We will then assess your eligibility for a higher level of cover. You'll find more information in the *Accumulation Account Insurance Guide* which you can download from our website or call us on **1300 360 750** and we'll send you a copy.

¹ This includes a contribution replacement benefit of 12.75%.

Member Centres

70 Eagle Street, Brisbane

63 George Street, Brisbane

Sunshine Coast University Hospital, Ground Floor,
Main Hospital Building, 6 Doherty Street, Birtinya

Member Services team

Phone 1300 360 750

Overseas +61 7 3239 1004

Monday to Friday 8.00am – 6.00pm (AEST)

Postal address GPO Box 200, Brisbane QLD 4001

Email qsuper@qsuper.qld.gov.au

Fax 1300 242 070

Website qsuper.qld.gov.au

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While we have taken every care to ensure the information contained in this document is accurate, it should not be regarded as a guarantee of entitlements and you should seek professional advice before making a decision.

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Salary for Superannuation Purposes Agreement

When to use this form

Complete this form if you:

- Have an Accumulation account
- Expect to exceed the concessional contributions cap for the financial year
- Want to let us know you have entered into an agreement with your Queensland Government employer to reduce your salary for super purposes.

Make sure you or your employer send us a copy of this form within the first four months of the financial year your agreement applies to. Be sure to read the *Salary Amendment for Accumulation Account Members* factsheet that's with this form for more information on reducing your salary for super purposes.

Be sure to check out the [Additional information about this form \(on the back page\)](#) before completing this form.

Please complete in **BLOCK** letters, in blue or black ink.

1 Your Accumulation account details

Client number

Your client number can be found on your annual statement or by logging in to Member Online.

2 Personal details

Title

First name

Last name

Previous name¹ (if we know you by another name)

Date of birth (dd/mm/yyyy)

 / /

Home phone number

Mobile phone number

Work phone number

Email address

Residential address

State

Postcode

Postal address

As above

State

Postcode

3 Your employer's details

Name of employer

Employee payroll number

Postal address of employer

State

Postcode

Phone number

Email address

4 Salary details

What's your **current** salary for super purposes?

 \$ per year

What's your **nominated** salary for super purposes?

 \$ per year

¹ If your name has changed and you work for the Queensland Government or default employer, let your payroll office know and they will then let us know.

5 Employee's declaration

I've exceeded, or expect to exceed, the concessional contributions cap for the financial year ending

30 June (yyyy)

- I've agreed with my employer that my salary for super purposes will be the salary nominated in section 4 and the salary is the maximum salary before my employer's contributions exceed the concessional contributions cap.
- I understand both my standard and employer contributions will be based on this nominated salary for super purposes during the financial year.
- I understand my employer and I need to send a copy of this completed form to QSuper within the first four months of the financial year that the agreement applies to.
- I understand that if I receive any other employer or salary sacrificed contributions I might exceed the concessional contributions cap.
- I understand if I hold salary-based income protection, my benefit will be based on this nominated salary.

Keep in mind you can't enter into this agreement if your current standard contributions rate isn't the lowest rate available to you (read the factsheet for more information).

Signature

Date (dd/mm/yyyy)

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6 Employer's declaration

- I agree that the employee (noted in section 2 of this form) will exceed (or they're likely to exceed) the concessional contributions cap for the financial year mentioned in section 5.
- I've agreed with the employee that their salary for super purposes will be the salary nominated in section 4 and this is the maximum salary before the employee exceeds the concessional contributions cap.

Signature

Date (dd/mm/yyyy)

 / /

Additional information about this form

It's important you know that if you nominate a salary for superannuation purposes it might affect your super and insurance benefits, so it's a good idea to get personal financial advice before you decide to do this.

Where do I send the form?

Send your completed form to:

QSuper Technical Advice
GPO Box 200
Brisbane Qld 4001

Member Centres

70 Eagle Street, Brisbane

63 George Street, Brisbane

Sunshine Coast University Hospital, Ground Floor,
 Main Hospital Building, 6 Doherty Street, Birtinya

Member Services team

Phone 1300 360 750

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