

Salary Amendment for Accumulation Account Members

Changing your contributions

If you have an Accumulation account and the contributions you and your employer are making to your account mean you will, or expect to, exceed the concessional contributions cap for the financial year,¹ you have some options to reduce the contributions that count towards the cap, including:

1. If you are making pre-tax voluntary contributions, you may change them to after-tax contributions, or choose to reduce or stop them (a contribution cap applies – see the *Personal Contributions Guide*)
2. Change your compulsory member contributions from pre-tax to post-tax
3. Reduce your compulsory member contributions to 4%, 3%, or 2% of your salary.

To change your compulsory member contribution rate if you are making after-tax contributions, 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 qsuper.qld.gov.au/forms or call us to request a copy.

To change your pre-tax compulsory member contributions or voluntary pre-tax contributions, you will need to contact either your employer or salary sacrifice provider.

If you need more information after reading this factsheet, please read our *Personal Contributions Guide* or contact us.

Entering into a salary for superannuation purposes agreement

Even after the changes outlined above, your salary may be high enough that you will still exceed your concessional contributions cap for the year. In these circumstances, you may consider entering into a salary for superannuation purposes agreement with your employer so that your superannuation contributions will be based on a lower salary.

For the 2021-22 financial year, the concessional cap is \$27,500.¹ However, you may be entitled to carry forward concessional contributions. See our *Personal Contributions Guide* for further information.

To make a salary for superannuation purposes agreement with your employer, you need to choose a lower salary that makes the concessional contributions paid by you and/or on your behalf equal to your concessional contributions cap for the financial year.

You can only enter into a salary for superannuation purposes agreement if:

1. Your compulsory member contributions and your employer's contributions are already at the lowest rate available to you, and
2. Your compulsory pre-tax member contributions and employer contributions will result in you going over the concessional contributions cap.

For example:

- You make compulsory member contributions of 2% (pre-tax or post-tax) and your employer contributes the minimum or
- You're a police officer making compulsory member contributions of 3% and your employer contributes the minimum, or
- Your employer contributes superannuation guarantee only.

You and your employer need to complete the *Salary for Superannuation Purposes Agreement* form (at the back of this factsheet) annually and send a copy to us within the first four months of the 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 salary if you're temporarily unable to work due to an illness or injury.²

If you enter into a salary for super purposes agreement with your employer, we'll use the lower salary as your insured salary when we determine your income protection benefit if you make a claim. Alternatively, you can apply for unutilised 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.

Effect on superannuation benefits

If you choose to reduce your compulsory member contributions or enter into a salary for superannuation purposes agreement, and you're not in a packaged salary arrangement, you may receive an overall reduction in benefits from your employer. Consider seeking financial advice before doing so.

¹ You may be eligible to pay more than the general concessional contribution cap. For more information, visit ato.gov.au or call the ATO on 13 28 66. ² 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

This information and all QSuper products are issued by Australian Retirement Trust Pty Ltd (ABN 88 010 720 840, AFSL 228975) as trustee for Australian Retirement Trust (ABN 60 905 115 063). Any reference to "QSuper" is a reference to the Government Division of Australian Retirement Trust. This is general information only, so it does not take into account your personal objectives, financial situation, or needs. You should consider whether the product is right for you by reading the relevant product disclosure statement (PDS) available at qsuper.qld.gov.au/PDS or call us on 1300 360 750 to request a copy. Where necessary, consider seeking professional advice tailored to your individual circumstances.

CNC-5359.FF08.02/22.

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.

Important: 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. See qsuper.qld.gov.au/advice

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?

What's the salary you want to use for super purposes?

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 (QSuper member'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 lower salary listed in section 4, and that salary is the maximum salary before my employer's contributions exceed the concessional contributions cap.
- I understand both my compulsory member contributions and employer contributions will be based on this lower 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 unless I apply for unitised cover.

You can't enter into this agreement if your current compulsory member contributions rate isn't the lowest rate available to you (read the factsheet for more information).

Signature

Date (dd/mm/yyyy)

 / /

6 Employer's declaration

- I agree that the employee mentioned in 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 listed in section 4, and this is the maximum salary before the employee exceeds the concessional contributions cap.

Signature

Date (dd/mm/yyyy)

 / /

Where to send this form

Send your completed form to:

Post

QSuper Technical Advice
GPO Box 200
Brisbane Qld 4001

Email

qsuper@qsuper.qld.gov.au

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

This form and all QSuper products are issued by Australian Retirement Trust Pty Ltd (ABN 88 010 720 840, AFSL 228975) as trustee for Australian Retirement Trust (ABN 60 905 115 063). Any reference to "QSuper" is a reference to the Government Division of Australian Retirement Trust. You should consider whether the product is right for you by reading the relevant product disclosure statement (PDS) available at qsuper.qld.gov.au/PDS or call us on 1300 360 750 to request a copy. Where necessary, consider seeking professional advice tailored to your individual circumstances. We take protecting the privacy of personal information very seriously. We are collecting your personal information to set up and/or to administer your superannuation account. We may also disclose this information to third parties if we need to, if you have given consent to the disclosure, or if we are required to by law. If you want to know more about our privacy policy, including how we collect, hold, use and disclose personal information, or how individuals can access or correct their information, visit qsuper.qld.gov.au/privacy or call us to request a copy.