

The self employed & the Co-contribution Scheme

If you are self employed, you may now be eligible for the super co-contribution scheme, where the Government makes a contribution up to one and a half times the amount that you have put in. The contribution must be a personal contribution and **not** used to claim a tax deduction.

Do I qualify?

To receive the Government contribution you have to

- Have earned \$61,920 or less, this financial year (assessable income + fringe benefits – business income deductions)
- Made a contribution during the financial year
- Not used this contribution to claim a tax deduction
- Earn 10% or more of your total income from running a business, eligible employment or both (this includes income through a company or trust)
- Be under 71 at the end of the financial year
- Not hold an eligible temporary resident visa at any time during this financial year

How much will I get?

Those earning up to \$31,920 may be eligible for the maximum co-contribution of \$1,000. The co-contribution amount decreases on a sliding scale and stops at an income of \$61,920. Note that you can use your business income deductions to reduce your income level for co-contribution purposes.

And your income is:	If your personal super contribution is:			
	\$1,000	\$800	\$500	\$200
Your Super Co-contribution will be:				
\$31,920 or less	\$1,000	\$800	\$500	\$200
\$34,920	\$900	\$800	\$500	\$200
\$37,920	\$800	\$800	\$500	\$200
\$40,920	\$700	\$700	\$500	\$200
\$43,920	\$600	\$600	\$500	\$200
\$46,920	\$500	\$500	\$500	\$200
\$49,920	\$400	\$400	\$400	\$200
\$52,920	\$300	\$300	\$300	\$200
\$55,920	\$200	\$200	\$200	\$200
\$58,920	\$100	\$100	\$100	\$100
\$61,920	\$0	\$0	\$0	\$0

When will I receive my co-contribution?

The co-contribution will be paid after 30 June 2010. The Australian Tax Office (ATO) will collect your contribution information from your superannuation fund and wait for you to lodge your tax return. If they find you are eligible, they will pay the co-contribution directly into your fund for you. There's nothing more for you to do! However, if you have not received your co-contribution by January of the following year, you should contact the ATO.

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Any questions? Call 1800 046 166 or visit: www.moneysolutions.com.au