

A photograph of a woman with blonde hair driving a red convertible car on a winding road. Her arm is out of the window, and she is looking towards the horizon. The road is paved and has white lines. The background shows a hilly landscape under a clear sky.

Virgin Money Super

Splitting super contributions

The trustee of Virgin Money Super recommends that you seek advice from a licensed, or appropriately authorised, financial adviser regarding your super before you make any decision in relation to super contributions splitting.

WHAT IS SUPER CONTRIBUTIONS SPLITTING?

Contributions splitting allows members to transfer eligible contributions from their own super account to an account in the name of their spouse in a complying superannuation fund. Conditions apply as to what contributions can be split and when a member can split contributions.

Contributions splitting may be of use for:

- people intending to retire before age 60
- couples with significant age differences;
- couples wishing to rebalance their super accounts for general reasons.

WHO CAN CONTRIBUTIONS BE SPLIT WITH?

Contributions can only be split with an eligible spouse who has not permanently retired or reached age 65.

A *spouse* is a person:

- who is legally married to the member;
- with whom the member lives on a genuine domestic basis in a relationship as a couple (including a same-sex partner); or
- with whom the member is in a registered relationship under a law of State or Territory (including a same-sex partner).

WHAT CONTRIBUTIONS CAN BE SPLIT?

You will generally be able to request a contributions split of up to 85% of concessional contributions* made during the relevant financial year, provided you maintain a benefit of at least \$1,200 in Virgin Money Super. Concessional contributions include employer and salary sacrifice contributions, any contributions allocated from surplus and any deductible contributions (i.e. those for which you have advised the trustee that you will be claiming a tax deduction).

The maximum amount of taxed contributions a member can split in a financial year is the lesser of 85% of the concessional contributions and your concessional contributions cap for that financial year.

From 1 July 2019, your concessional contributions cap for a financial year may be increased above the general concessional cap if you are eligible. To be eligible you must

- make concessional contributions in excess of the general concessional cap
- have a total superannuation balance less than \$500,000 immediately prior to the financial year in which the contribution is being made
- have unused concessional cap space from the previous 5 years (with 2018-19 financial year being the first year you can accrue unused concessional contributions).

Your concessional cap will equal the general concessional cap plus the previously unused concessional contributions made in excess of the general concessional contributions cap. This is your increased concessional contributions cap. Your increased concessional contribution cap will be used to determine the maximum amount of taxed splittable contributions.

* You can only split 85% of concessional contributions as the trustee must make an allowance for the deduction of the Government's 15% contributions tax. When you request a split of a concessional contribution amount, you will need to nominate whether the amount is net or gross of contributions tax (see the Contributions Splitting Application form for more details).

THE FOLLOWING CANNOT BE SPLIT:

- member contributions (but excluding those contributions for which you have advised the trustee that you are claiming a tax deduction), eligible spouse contributions and government co-contributions, and untaxed contributions
- amounts rolled over or transferred into Virgin Money Super
- lump sum payments from an overseas super fund
- employment termination payments.

There may be other circumstances in which the legislation restricts or prohibits contributions splitting depending on a member's individual circumstances. We will advise you if this applies at the time you make a request to split contributions.

WHEN CAN YOU REQUEST A CONTRIBUTIONS SPLIT?

The super contributions splitting rules work on a financial year basis (ie year ending 30 June).

Splitting periods will comprise the twelve months from 1 July to 30 June each year.

Generally a member will be able to split once per financial year and will have twelve months to make a request to split all or part of a previous financial year's contributions once that financial year is over.

If you are withdrawing your entire superannuation benefit from Virgin Money Super you may also elect to split contributions made to your super account during the current financial year. However, this can only take place if your request to split contributions is provided to the trustee on or before the time that your super is paid out, rolled over or transferred to another super fund.

How can you request a contributions split?

To request a contributions split you should complete the 'Contributions Splitting Application' form which is available by calling the Customer Care Team on **1300 652 770** or refer to the website www.virginmoney.com.au/super.

WHEN SHOULD YOU LODGE THE FORM?

Your application to split your contributions should be lodged with Virgin Money Super after the completion of each financial year (eg. after the 30th of June).

An application to split your contributions can only be lodged once for each financial year and must be lodged before the following 30th of June (or before requesting payment if leaving Virgin Money Super).

Please note that the trustee has 90 days from the receipt of your application form to process your request.

Your spouse can join Virgin Money Super

If you're thinking of taking advantage of super contributions splitting, it's worth noting that your spouse is able to open their own account in Virgin Money Super.

For details or to obtain a copy of the relevant Product Disclosure Statement call the Customer Care Team on **1300 652 770** or refer to the website www.virginmoney.com.au/super.

If you need help

For assistance or information on super contributions splitting please call the Customer Care Team on **1300 652 770** or refer to the website www.virginmoney.com.au/super.