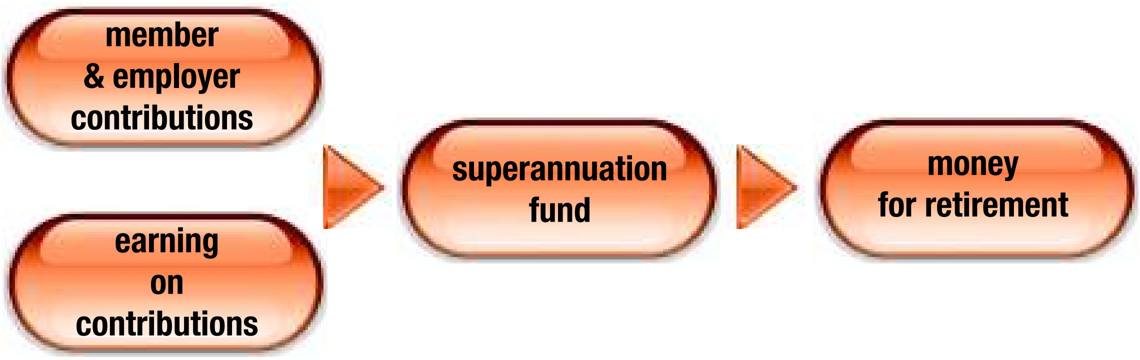
Why investing and saving into superannuation is good for you

Superannuation is specifically designed to help you save and invest for your retirement.

At a glance

- Super is one of the most tax-effective ways of saving for retirement
- Super will help you meet your retirement needs
- Super allows you to invest in different investment markets
- You can obtain insurance cover in a tax friendly manner
- You can't withdraw until you reach retirement age

Money in super is taxed in different ways to your other investments. Lower taxes means you have more to re-invest. It's designed to reward you for investing for the long term.



Will your super be enough?

Employer contributions over 40 years will provide you with just over 50% of your pre-retirement income. Will this be enough? We think you need 65% of you pre-retirement income to retire comfortably. The best place to start is to ask 'How much do I need?'

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Superannuation (cont.)

Advantages of super
Super opens your money to the world of investment markets and you can choose how it is invested.

Super offers competitive insurance. Your insurance premiums, which are part of your super contributions, may be paid from your pre-tax salary, which is a tax-effective way to enjoy the protection you and your family need.

Super funds have expert people working for them called investment managers. The investment manager's job is to make sure your money grows by earning the best rate of return. The income earned by the super fund is usually taxed at a lower rate than if you were to have the money in your bank account.

Making a contribution
Deposits into super are known as 'contributions'.
There are two types of contributions. They can be made from your:

> pre-tax income (concessional contributions) and
> post-tax income (non-concessional contributions).

Generally, concessional contributions (made from pre-tax income) attract a contributions tax of 15%, which can be significantly lower than your marginal tax rate. Tax on your non-concessional contributions (made from post-tax income) does not apply.

However, there are caps on both these types of contributions which vary depending on your age.

Tax Advantages
Earnings in super are taxed at up to 15% (and only 10% on capital gains), which is lower than most people's marginal tax rate. When you start a pension the tax on earnings in super reduces to nil.

If you withdraw funds after age 60 your money is tax free.

There are different tax treatments on lump sum payments depending on the size of the benefit and the age and service period of the member.

Get More Out Of Your Super
Super is becoming more flexible with many strategies to reach your retirement goals:

Government co-contribution	Salary sacrifice
Transition to retirement	Self-managed super
Spouse contributions	Personal contribution
Super splitting	Re-Contribution

Talk to us and we will prepare a retirement calculation to see how you're tracking and determine what strategies you can use to reach your goals.