



# Hanmoore Financial Solutions Update

## End of Financial Year Reminders

The 2011/12 financial year is drawing to a close, which means it is timely to review a number of issues to ensure you optimise your tax position.

### **Concessional super contributions**

- Take advantage of the tax benefits of making concessional superannuation contributions. However as mentioned in our last update be aware of the superannuation limits as penalties apply for any breaches.
- Remember these limits will reduce in the coming financial year for those over age 50, so you may need to review any salary sacrifice arrangements to reflect these changes.

### **Government co-contributions**

- If your total income is less than \$61,920 pa you may be eligible for a government co-contribution. For each dollar you contribute the government will contribute an additional \$1 up to a maximum of \$1,000 for those earning less than \$31,920 pa.

### **Spouse super contributions**

- You can claim an 18% tax offset on superannuation contributions of up to \$3,000 made on behalf of a low-income or non-working spouse. To be eligible for the maximum \$540 tax offset your spouse's total income must be under \$10,800 pa, while a reduced offset is available if your spouse earns less than \$13,800 pa.

### **Pre-paying private health insurance**

- Legislation has been passed to income test eligibility for the private health insurance rebate effective 1<sup>st</sup> July 2012. As a result, the rebate will be gradually reduced for incomes over \$84,000 pa (single person) or \$168,000 pa (family). If you are affected you should consider paying your private health insurance premium for 2012/13 prior to 30<sup>th</sup> June 2012 as the current rebate still applies for pre-paid premiums.

Should you have any queries or require further information on the above matters, please feel free to contact us.