



# Superannuation Rates and Thresholds

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Each year, several key superannuation rates and thresholds are indexed in line with movements to Average Weekly Ordinary Time Earnings (AWOTE) or Consumer Price Index (CPI).

Following the release of these key statistics by the Australian Bureau of Statistics (ABS) last month, the thresholds most relevant to superannuation for 2023-24 are set to be as follows:

Key thresholds	Current 2022-23	New 2023-24
Standard concessional contribution cap <sup>1</sup>	\$27,500	<b>\$27,500</b>
Standard non-concessional contribution (NCC) cap <sup>2</sup>	\$110,000	<b>\$110,000</b>
CGT cap amount	\$1,650,000	<b>\$1,705,000</b>
Government Co-contribution <sup>3</sup>		
- Lower threshold	\$42,016	<b>\$43,445</b>
- Upper threshold	\$57,016	<b>\$58,445</b>
General Transfer Balance Cap (TBC) <sup>4</sup>	\$1,700,000	<b>\$1,900,000</b>
Low-rate cap amount	\$230,000	<b>\$235,000</b>

Based on an individual's Total Superannuation Balance (TSB), as measured on 30 June 2023, an individual under the age of 75 on 1 July 2023, may be able to trigger a bring-forward period permitting an increased NCC amount to be made during the 2023-24 financial year, as follows:

TSB at 30 June 2023	Available NCC Cap in 2023-24*	Maximum NCC cap available
< \$1.68 Million	\$330,000	3 years
\$1.68 Million - < \$1.79 Million	\$220,000	2 years
\$1.79 Million - < \$1.90 Million	\$110,000	1 year
≥ \$1.90 Million	Nil	N/A

\* Assumes the individual is not already in a previously triggered bring-forward period.

## **Notes:**

<sup>1</sup> An individual's personal concessional contribution cap for 2023-24 may be higher if they're eligible to unlock unused carried forward concessional contribution cap amounts from previous years.

<sup>2</sup> An individual's NCC cap in 2023-24 will be NIL where their TSB, measured at 30 June 2023 is \$1.9 Million or more. This also applies to individuals who are already in a previously triggered bring-forward period.

<sup>3</sup> An individual's TSB must be less than \$1.9 Million to be eligible for Government Co-contribution.

<sup>4</sup> An individual's Personal Transfer Balance Cap will be less than \$1.9 Million where they have commenced a retirement phase income stream before 1 July 2023.

## Other relevant caps and thresholds

While perhaps not specific to SMSF trustees, the following thresholds are also likely to be of interest:

Other thresholds	Current 2022-23	New 2023-24
Defined benefit income cap	\$106,250	<b>\$118,750</b>
Untaxed plan cap amount	\$1,650,000	<b>\$1,705,000</b>
Division 293 Tax threshold <sup>1</sup>	\$250,000	
Spouse contribution tax offset <sup>1, 2</sup>		
- Lower threshold	\$37,000	
- Upper threshold	\$40,000	

<sup>1</sup> 2023/24 threshold is indicative only. These thresholds are not subject to usual CPI/AWOTE indexation, however at the time of writing they were yet to be confirmed for 2023/24.

<sup>2</sup> The TSB for the spouse receiving the contribution must be less than \$1.9 Million to be eligible for the spouse contribution tax offset.

## Reminders

### Preservation age

Preservation age will remain at 59 (for those born between 1 July 1963 and 30 June 1964).

Preservation age will not increase to age 60 until 1 July 2024 (for those born on or after 1 July 1964).

### Superannuation Guarantee (SG) Rate

The SG rate will increase from 10.5% to 11% from 1 July 2023.

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