Superannuation 101 (Part 5)

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THIS WEEK we will discuss a contribution that you could make on behalf of your Spouse and also have some tax benefits.

Spouse contribution

As the name suggests, this is a contribution that is made on behalf of your spouse to their super account.

The maximum amount of contribution is limited to $3,000 and the contributing spouse is able to claim a maximum tax offset of $540, subject to certain conditions:

- The receiving spouse should be under 75 years of age;
- The receiving spouse's assessable income should be $37,000 or less (the tax offset reduces if the income is more than $37,000 before cutting off completed at income exceeding $40,000)
- The contribution must be made to an eligible super fund.

It is important to remember that the tax offset does not automatically become available and must be claimed in the tax return. It is also important to remember that the spouse contribution counts towards the non-concessional cap ($100,00 each year).

Maximum Available tax offset

The tax offset is computed as the lesser of 18% of

- $3000 less income exceeding $37,000 or
- The actual spouse contribution


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The maximum tax offset cannot exceed $540 (18% of $3,000). In other words, even if the spouse contribution was $3500, the tax offset that is able to be claimed is $540.

Spouse contribution can be a useful strategy to boost the super balance of the spouse on a lower income while providing some tax benefit to the higher income earner.

It is important to note however, the usual access restrictions continue to apply to spouse contributions as well. Could this be a relevant strategy for you? Contact your financial adviser to confirm.