

Important updates to Centric Super

07 July 2023

This notice updates information in the Centric Super Product Disclosure Statement (PDS) and the Centric Super Additional Information Guide (AIG) both dated 26 September 2022. You should read this notice, the Important Update dated 6 March 2023, together with the PDS and AIG which you can download from our website at centricwealth.com.au/policies.

Low rate cap amount increase

On 1 July 2023, the low rate cap amount was increased from \$230,000 to \$235,000. This amount is the limit set on the amount of taxable components (taxed and untaxed elements) of a super lump sum withdrawal that can receive a lower (or nil) rate of tax. It applies if you have reached your preservation age but are below 60 years old.

Centric Super PDS, page 7, *Tax on withdrawals as lump sums* table and note

In the *Taxable* section of the table, the figure of \$230,000 is replaced with \$235,000.

The note to the table is replaced with the following:

Note: Different rates of tax apply to super benefits that include an 'untaxed element'. Rates and thresholds also change regularly. Refer to the [ATO website](https://ato.gov.au) for current tax rates and thresholds and information about how tax applies to super contributions, investment earnings and withdrawals.

Centric Super Additional Information Guide, page 28, *How super is taxed* table

Replace the footnote 4 under the table with the following:

The low rate cap amount is \$235,000 for 2023/24 and may be indexed thereafter in line with Average Weekly Ordinary Time Earnings (AWOTE) in \$5,000 increments.

Downsizer contributions change in eligibility age

From 1 January 2023, the eligibility age for downsizer contributions was lowered to 55 years. Refer to the ATO web page [Downsizing contributions into superannuation](https://ato.gov.au/ATO/ATO/pubs/ato/ato%20publications%20index.htm) for more information.

Centric Super Additional Information Guide, page 10, *Personal contributions* section

The fourth bullet point is replaced with:

- downsizer contributions – you can contribute up to \$300,000 to super from the proceeds of selling your principal home if you are aged 55 or over and meet the eligibility requirements, have owned the home for at least 10 years, and have notified the Fund using the approved method.

Centric Super Additional Information Guide, page 10, Contribution eligibility table

The following table replaces the Contribution eligibility table.

Contribution eligibility

The following table outlines who is eligible to make contributions to the Fund.

Your age and employment status	Employer contribution: Super Guarantee and Award	Employer contribution: salary sacrifice and voluntary	Personal	Spouse	Downsizer
Aged under 55	✓	✓	✓	✓	X
Aged 55 ¹ or older	✓	✓	✓ ²	✓	✓
Aged 75 or older	✓ ³	✓ ⁴	✓ ⁴	✓ ⁴	✓ ³

1. If you are 55 years old or older and meet eligibility requirements, you may be able to choose to make a downsizer contribution into your superannuation from the proceeds of selling your main residence.
2. If you are aged between 67 to 74 years old, any claim for a personal super tax deduction will be assessed by the Australian Taxation (ATO) when you lodge your tax return.
3. If you are aged 75 or older, mandated employer contributions and downsizer contributions can be made. Mandated employer contributions refer to SG contributions, and contributions your employer is required to make under an Award or collective agreement.
4. If you are aged 75 or older, these contributions can only be made for 28 days after your 75th birthday.

We may not be able to accept some contributions from you if we don't hold your Tax File Number (TFN). Go to the [ATO website](#) for more information about super contributions.

If you have any questions about these changes, please contact us on **1300 223 687** or speak to your Nominated Financial Adviser.

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