

# your FUTURE

Financial year ending  
30 June 2011



## Are fees eating away your super?



Multiple super accounts can mean extra fees eating away at your super savings, so why not consolidate your different accounts into Local Government Super and really make the most of your investment.

Simply visit [www.lgsuper.com.au](http://www.lgsuper.com.au) to obtain a Transfer-in Authority form or call **1300 369 901** for more information.

## Investment performance

Financial year ending 30 June 2011

Strategy	%p.a.*
High Growth	9.1
Balanced Growth	8.5
Balanced	7.7
Conservative	6.9
Cash	4.9

\* All returns are shown to one decimal place.

Investment returns shown are historical and future performance cannot be guaranteed. Investment returns can go up and down and past performance is not a reliable indicator of future performance.

## Who needs a rich uncle to pay for their retirement...

...when the Tax Office contributed over \$1.4 billion into people's super accounts in the 2009/10 financial year.

### Why?

That's because a lot of people who earned less than \$61,920 also made an after-tax contribution to their super so the Government threw in their co-contribution as well.

### So how does it work?

It's called the Government Co-contribution and if you earn \$31,920 or less this financial year and make any after-tax contributions to your super, the government will match your contributions up to a maximum of \$1,000.

For people earning more than \$31,920 the rate of the Government Co-contribution steadily decreases until it finally reaches zero if you earn \$61,920 or more.

### So what do you have to do?

The Tax Office estimates that around 1.5 million people are eligible for the Co-contribution and all you have to do is follow this easy three-step process:

1. Make one or more after-tax contributions to your super before the end of this financial year.
2. Lodge your tax return.
3. Sit back and wait until the Tax Office deposits your Co-contribution into your super account in the next financial year.

### The fine print

Of course there are always some conditions and to qualify for the Co-contribution you need to:

- Make your after-tax contributions directly into your own super account
- Earn at least 10% of your income from eligible employment or running a business, or a combination of the two
- Be a permanent resident of Australia
- Lodge an income tax return.

To find out how much you might be eligible for, just go to our website to use our Super contributions calculator, or read our Co-contribution fact sheet for all the details.

**Much better than schmoozing up to a rich uncle.**

# Nominating your beneficiaries

Up until recently, you could only nominate your legal personal representative (the executor of your will or administrator of your estate) to receive your super benefit in the event of your death, but we've changed our rules so you now have more options.

You can now choose to nominate your legal personal representative and/ or any number of your dependants, and you can specify what proportion of your super benefit you would like paid to each of your beneficiaries. Making a binding nomination means that you have the final say, so you can ensure that your super is paid as you want, after your death.

## Why would I nominate a beneficiary?

Nominating a beneficiary is optional, but if you have not made a nomination, in the event of your death the Trustee will decide who your benefit is paid to.

# Do we have your Tax File Number?

It's not compulsory to provide us with your Tax File Number (TFN) but if we don't have your TFN:

- we will need to pay extra income tax on your concessional or 'pre-tax' contributions and this will be deducted from your super account
- we will not be able to accept your non-concessional or 'after-tax' super contributions
- you will not be paid the Government's super Co-contribution (if you are eligible).
- you may find it difficult to locate your super benefits in future and consolidate them into one account.

So check your statement to see whether your TFN is listed as 'supplied' and if it's not, you can complete the Notification of Tax File Number form found on our website or call us on 1300 369 901 to quote your TFN over the phone.

Your benefit includes any life insurance you hold through LGS which could potentially be worth hundreds of thousands of dollars.

The Trustee must assess all claims made against your account and will pay your benefit to your legal personal representative and/or dependant(s).

If you haven't left any instructions by making a binding nomination, your benefit may not be distributed in accordance with your wishes. For this reason it's a good idea to consider nominating and regularly reviewing your beneficiaries.

## How do you make a binding nomination?

To make a binding nomination, just go to the Forms section on our website at [www.lgsuper.com.au](http://www.lgsuper.com.au), complete the Binding Nomination form and send it to us.

We understand that circumstances often change so your binding nomination will remain valid for three years, after which we'll remind you that it's coming up for renewal.

If you already have one in place and would like to update it, you can simply complete a new Binding Nomination form.

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This paper is certified under Environmental Management Systems ISO14001.



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