

Protection Plans – Product Update

Effective 1 July 2020

The Government has announced some important changes to super that apply from 1 July 2020.

Super contributions work test age increased from 65 to 67

From 1 July 2020, if you are aged under 67, you can make voluntary personal contributions into your superannuation fund without needing to meet the 'work test'. If you are aged between 67 and 74, you will still need to meet the work test, or work test exemption, to make personal contributions to superannuation.

The work test requires you to have been gainfully employed or self-employed for at least 40 hours in a period of not more than 30 consecutive days in the financial year before you make the contribution[^].

A work test exemption applies for recent retirees, which allows an individual's super fund to accept voluntary contributions made by individuals ages 67 to 74 for an additional 12-month period from the end of the financial year in which they last met the work test, subject to their total superannuation balance being less than \$300,000.

Spouse contributions

From 1 July 2020, the eligibility age to receive spouse contributions has been increased from age 70 to 75. This means that you may be eligible to receive superannuation contributions made on your behalf by your spouse if you are under age 75. If you are between the ages of 67–74 you may be eligible to receive contributions made by your spouse on your behalf into your superannuation fund so long as you meet the work test, or work test exemption.

[^] Prospective employment cannot be taken into account – you must have worked at least 40 hours in a consecutive 30-day period during the financial year before we can accept your contribution.

For more information

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Important Information

Information current as at 1 July 2020. This information does not take into account your personal objectives, financial situation or needs and so you should consider its appropriateness, having regard to these factors before acting on it. The Insurer of BT Protection Plans is Westpac Life Insurance Services Limited ABN 31 003 149 157, AFSL Number 233728 ('the Insurer'). BT Protection Plans are issued by the Insurer except for Term Life as Superannuation and Income Protection as Superannuation which are issued by BT Funds Management Limited ABN 63 002 916 458 ('BTFM') as trustee of the Retirement Wrap ABN39 827 542 991. The Insurer and BTFM are wholly owned subsidiaries of Westpac Banking Corporation ABN 33 007 457 141 ('the Bank'). The Bank does not guarantee the insurance. For terms and conditions relating to BT Protection Plans, including limits and exclusions, please refer to the appropriate Product Disclosure Statement available at bt.com.au.