

TAX TALKS

Australia's Tax News Podcast - The Podcast for Australian Tax Professionals

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86 | Bring-Forward Rule

The bring-forward rule for non-concessional contributions changed with the super reform in 2017.

Bring-Forward Rule

Now the bring-forward rule doesn't just have lower thresholds, but also need to deal with the total superannuation balance (TSB). How does the bring-forward rule work around the TSB?

Here are some of our notes but for more details please listen to the audio file above. Meg Heffron of [Heffron SMSF Solutions](#) explains all this much better than we do.

To listen while you drive, walk or work, just access the episode through a podcast app on your mobile phone.

Bring-Forward in 2018/29

Let's assume that the member didn't trigger a bring forward rule before 2018/19 or if they did, it was all used up by 30 June 2018. And let's assume the member is under 65 on 1 July 2018.

The amount and period of the bring-forward rule depends on the balance of the total superannuation balance (TSB) on 30 June 2018.

If the TSB was less than \$1.4m, you can contribute non-concessional contributions (NCC) of up to \$300,000 over 3 years.

If it was \$1.4m to less than \$1.5m, \$200,000 over 2 years

If \$1.5m to less than \$1.6m, then there is no bring-forward, just the usual annual cap of \$100,000 for NCC applies.

If \$1.6m or more, there is no bring-forward and there is no NCC either.

Before 65

As long as the member is under 65, you just need to work around the total superannuation balance. There is no work test.

After 65 and below 75

On a member's 65 birthday the work test kicks in. The work test requires that the member must have worked at least 40 hours in 30 consecutive days. Apart from that the bring-forward rule continues to wrap around the TSB as before.

After 75

The party is over. No more non-concessional contributions and hence no bring-forward rule. The only thing that can still come into the fund is mandated employer contributions aka superannuation guarantee payments.

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