

# What changed on July 1?

## 1. Superannuation pension relief extended

At the start of the financial crisis in 2008, the Government announced that they would halve the minimum pension payment amount - that is the minimum amount of pension that you have to take from your superannuation fund. This concession was extended through to the 2009 financial year. The Government recently announced that they will again reduce the minimum pension amount for the 2010/2011 financial year.

In practice what this means is that if you are say 65 years of age on 1 July and receive an account based pension from your superannuation fund, the minimum you have to withdraw is 2.5% of the account balance (instead of 5%). The continued relief means that retirees do not have to sell investments at an inopportune time simply to comply with the regulations.

## 2. New income tax rates were introduced

Taxable income \$	Rate %
0 – 6000	0
6,001 - 37,000	15
37,001 - 80,000	30
80,001 - 180,000	37
180,001 +	45

## 3. Superannuation clearing house open for business

If you are a small business with less than 20 employees, the Government run superannuation clearing house is now available. The clearing house is designed to ease the administration burden of paying multiple superannuation funds every quarter to manage your choice of super requirements. Payments are made by BPay to the clearing house. It's a free service. (See [www.medicareaustralia.gov.au/super/](http://www.medicareaustralia.gov.au/super/))