Free kick to super goals

cash coach

Q: Is salary sacrifi ing into superannu ation really wort it?

A: Salary sacrificin into superannuatio is probably the be: free kick going aroun for taxpayers, particularl those between the age of 40 an retirement age.

If you are not salary sacrifi ing, you are missing out on very important way of fas tracking your savings.

Put simply, it means you pa just 15 per cent tax on you savings, instead of your fu marginal rate, which can be u to 45 per cent.

This means you can gro your nest egg much mor quickly, allowing you to retir with dignity – and to buy som fun experiences as a reward fo a lifetime of hard work.

If your employer will not a low salary sacrificing, change jobs – it is that important!

The Federal Government is prepared to forgo up to 30c per dollar in tax to allow you to provide for your own retirement, so you and your employer are out of the loop if you are not taking advantage of the salary sacrifice scheme.

Under the new superannuation rules, from July 1 this year all employees are able to contribute up to $50,000 a year into super through salary sacrifice.

If this strategy is undertaken, it can mean a much smaller hit to your take-home pay, and provide a great deal of financial security for the future.

❑ Answered by Theo Marinis of Apogee Financial Planning. Answers should be used as a general guide only and professional advice should be sought before making investment decisions. To find a financial planner, call the Financial Planning Association on 1800 626 393 or visit www.fpa.asn.au.

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