



# BONGIORNO

For future financial health

## **Proposed new 30% tax on earnings where a member's total superfund balance exceeds \$3m**

From the 2025-26 income year onwards, the headline concessional tax rates applying to superannuation earnings are:

- Up to 15 per cent on earnings on superannuation balances below \$3 million and
- Up to 30 percent overall on a percentage of earnings equal to the percentage of superannuation balances above \$3 million.

The main concerns are:

- Taxing unrealised capital gains inside the super fund
- Management of reversionary pension death benefits to a spouse
- No indexation of the proposed \$3M total super member balance cap
- Application of the tax to defined benefit superfunds

The Senate Inquiry report is due for release on 10/5/2024. We will update you when the final legislation is passed and discuss strategies to manage the new tax.

