



## Media release

7 June 2007

### Plum: Contribute to super and get more in your pay packet!

With many Australians set to get a pay increase from 1 July this year as a result of the new personal tax threshold changes, Plum Financial Services is urging its members to consider putting the extra into super before they have a chance to miss it!

According to Plum Financial Services, many Australians will get an increase in their take-home pay from 1 July 2007, when the Government's new personal tax thresholds announced in this year's budget kick in.

And there has never been a better time to contribute to super, with the Government's simpler super changes also taking effect from 1 July, making super a much more attractive savings option, according to Plum's Managing Director Mike Fitzsimons.

Mr Fitzsimons said according to Plum's calculations\*, if you earn between \$40,000 and \$120,000 you can contribute 1% of your salary before-tax into your super and still receive more in your take home pay, than you did last financial year.

'And it gets even better for those earning less than \$58,000 per annum, as they may be able to take advantage of the Government's co-contribution scheme as well if they make an after-tax contribution,' Mr Fitzsimons said.

'For most, this increase will be an unexpected windfall in their pay packet, so we are encouraging members to consider putting some of it into super now. You can't miss something you've never had, and it can make a substantial difference to your retirement savings down the track!'

For example, according to Plum's projections\*, if an individual on \$80,000 per annum invested their salary increase from the tax changes each year over 25 years, a salary sacrifice (before-tax) arrangement could potentially generate an extra \$51,000 (in today's dollars) in super, tax-free at age 60.

This is compared to investing after-tax and outside the super environment, which would only generate approximately \$29,000 and even then, the monies may be taxable when you withdraw them from your particular investment.

'We are urging all our members to take advantage of this increase and invest it in their savings now before they grow accustomed to seeing it in their pay,' Mr Fitzsimons said.

'As you will see from the attached table, nearly everyone will benefit from the new tax thresholds to varying degrees and super has never been more attractive as a savings option!'

more

**Plum Financial Services Limited**  
(Administrator)  
**ABN** 35 081 812 731 **AFSL** 243356

**PFS Nominees Pty Ltd**  
Trustee of the Plum Superannuation Fund  
**ABN** 16 082 026 480 **AFSL** 243357  
**RSE** L0002912 R1056945

Level 9, 90 Collins Street  
Melbourne Vic 3000  
GPO Box 63  
Melbourne Vic 3001

**Telephone** 03 9222 4500  
**Facsimile** 03 9222 4902  
**Email** [service@plum.com.au](mailto:service@plum.com.au)  
[www.plum.com.au](http://www.plum.com.au)



\*Projections created using a modelling tool produced by ALEA Actuarial Consulting Pty Ltd.

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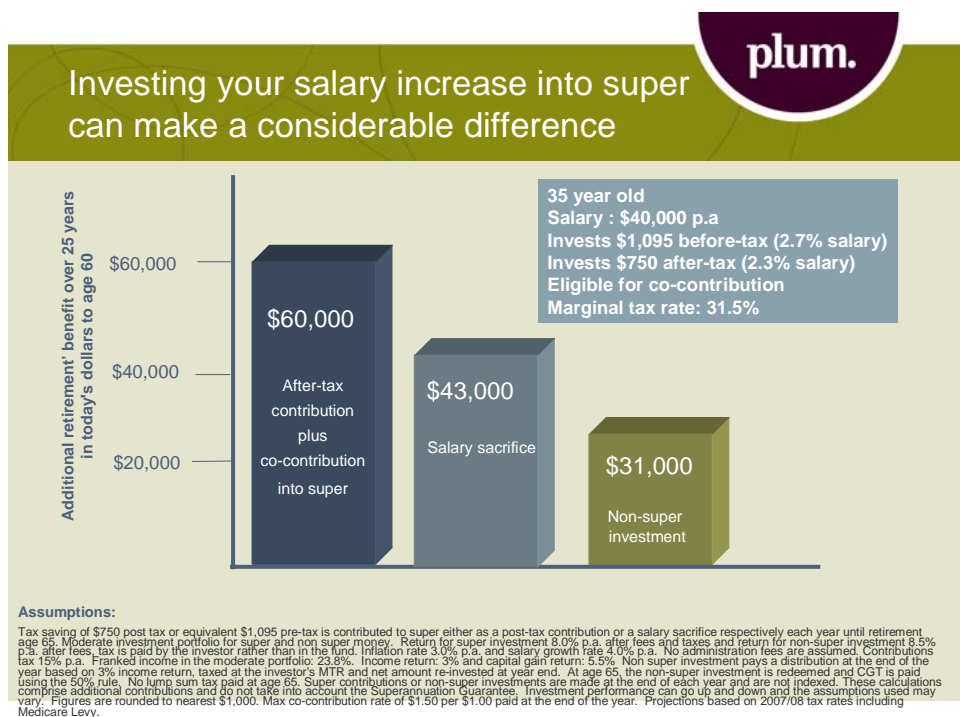
**Increase your super and still receive a pay rise**

Salary	Tax payable in 2007-08 <sup>1</sup>	Extra after-tax income <sup>1</sup>	Extra after-tax income (% post-tax salary)	Equivalent extra before-tax income (% pre-tax salary)
\$20,000 <sup>2,3</sup>	\$2,310	\$0	0.0%	0.0%
\$40,000 <sup>2,3</sup>	\$7,110	\$750	2.3%	2.7%
\$60,000	\$13,410	\$750	1.6%	1.8%
\$80,000	\$20,210	\$750	1.3%	1.6%
\$100,000	\$28,510	\$750	1.0%	1.3%
\$120,000	\$36,810	\$750	0.9%	1.1%
\$150,000	\$49,260	\$750	0.7%	0.9%
\$200,000	\$72,510	\$750	0.6%	0.7%

<sup>1</sup> Due to change in personal marginal tax income thresholds. All calculations include the Medicare Levy.  
<sup>2</sup> May also be eligible for a low income tax offset which are not included in these calculations.  
<sup>3</sup> May also be eligible for Government Co-contribution if making an after-tax contribution to super if salary is less than \$58,000 p.a.

**!Unexpected**

**ed End of Formula**



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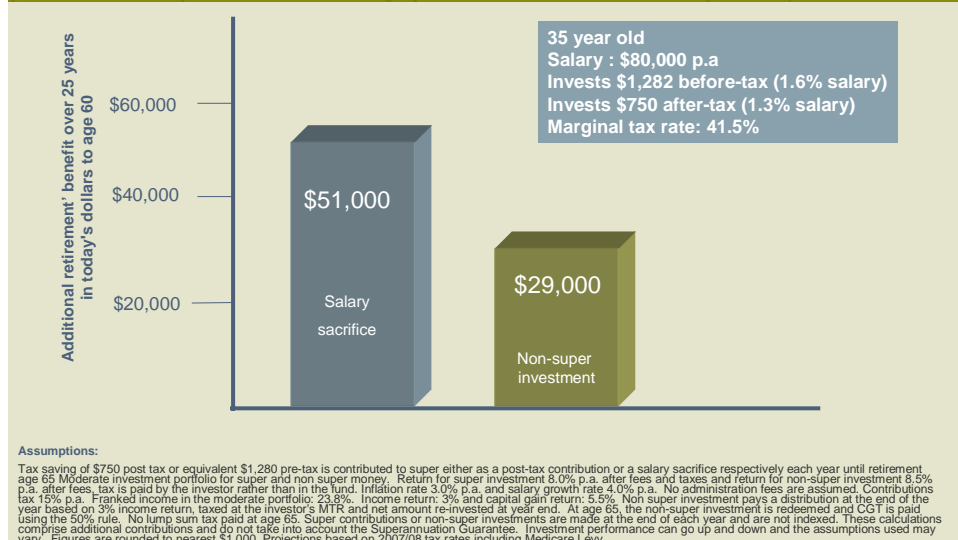
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 GPO Box 63  
 Melbourne Vic 3001

**Telephone** 03 9222 4500  
**Facsimile** 03 9222 4902  
**Email** service@plum.com.au  
 www.plum.com.au



## Investing your salary increase into super can make a considerable difference



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### Further information:

For more information on Plum's campaign, photos or an interview with Mike Fitzsimons please contact:

Dana Baynes

Public Relations Manager - Plum Financial Services

Tel: 03 9222 4605 Mob: 0438 017 616 E: [dana.baynes@plum.com.au](mailto:dana.baynes@plum.com.au)

### About Plum

Plum Financial Services Limited ABN 35 081 812 731 AFSL 243356, a wholly owned subsidiary of MLC Limited, provides integrated superannuation solutions for medium to large Australian corporations. Purpose-built for the era of member investment choice, Plum's philosophy is about providing members with a meaningful education experience to help build their knowledge and understanding of superannuation so that they are empowered to manage their financial future. One of Australia's fastest growing corporate superannuation providers, Plum now administers more than \$8 billion of committed assets for 82 clients and approximately 125,000 members. More information about Plum is available at [www.plum.com.au](http://www.plum.com.au).

**Note:** An interest in the Plum Superannuation Fund (Fund) RSE R1056945 is issued by the PFS Nominees Pty Ltd (Trustee) ABN 16 082 026 480, AFSL 243357 RSE L0002912. The Fund administrator is Plum Financial Services Limited (Plum) ABN 35 081 812 731 AFSL 243356. This material has been prepared by Plum and it contains information that is general in nature. The information does not take into account your objectives, financial situation or needs. Before acting on the information you should consider whether it is appropriate having regard to your personal circumstances. Plum recommends that you consider the Fund's Product Disclosure Statement (PDS) before you make any decisions about your superannuation. If you need help in making a decision Plum recommends that you seek advice from a qualified financial planner. Neither Plum, the Trustee, nor any other company in the National Australia Bank Group accepts liability whatsoever for any decision that is made on the basis of or in reliance of the information contained in this material. To obtain a copy of the Fund's PDS please call a Plum Member Services Consultant on **1300 55 7586**. Please note that the information contained in this material is current as at June 2007. Any changes in law or policy have not been incorporated.

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