

Last updated 18 May 2026

Concessional contribution caps

The concessional contributions cap for the current year ending 30 June 2026 is \$30,000.

From 1 July 2026 the concessional contributions cap will be increased and capped at \$32,500.

The concessional contribution cap applies to the total concessional contributions from all sources (personal, employment, etc).

Excess concessional contributions are the concessional contributions made in excess of the cap in a financial year.

Unused concessional cap is carried forward

Since 1 July 2018, if you have a total superannuation balance of less than \$500,000 on 30 June of the previous financial year, you may be entitled to make additional superannuation contributions up to the amount of concessional contribution cap from previous years that had not been utilised.

The first year you will be entitled to carry forward unused amounts is the 2019–20 financial year. Unused amounts are available for a maximum of 5 years, after which they will expire.

For example, if your concessional contribution cap in 2024-25 was \$30,000, and you only contributed \$20,000 during that year, you would have an unused cap of \$10,000 that could be carried forward and used in the following financial year(s).

Please contact your Lowe Lippmann representative to confirm if you are eligible for this special concession.

Excess concessional contributions

Contributions made in excess of the concessional contributions cap will still be deductible to the employer, but the individual will be taxed on any excess concessional contributions (**ECC**) as additional assessable income.

If you make an ECC, you will receive a tax offset equal to 15% of the ECC to account for the contributions tax that have already been paid by your superannuation fund.

Also, you may 'elect' to withdraw up to 85% of the ECC from your superannuation fund to help pay the additional income tax on the assessed ECC amount.

Any ECC amount not released from your superannuation fund will count towards your non-concessional contributions cap (and we note where your remaining non-concessional cap is \$Nil this can result in Excess Non-Concessional Contributions).

We note that it is important to contact your Lowe Lippmann representative if you receive any ATO notice in relation to excess contributions.

Age based limits, points to note

Age under 67 years old

If you are under 67 years old at the end of the financial year in which you made the contribution, you can claim a tax deduction for your personal super contributions.

If you are under 18 years old at the end of the financial year in which you made the contribution, you can only claim a tax deduction for your personal super contributions if you also earned income as an employee or from carrying on a business during the year.

Age between 67 and 74 years

If you are between 67 to 74 years old, you will be required to meet the work test or work test exemption (as explained below) in order to claim a tax deduction for a personal superannuation contribution.

Aged 75 years and older

If you are 75 years old or older, you can only claim a tax deduction for personal superannuation contributions you make before the 28th day of the month following the month in which you turned 75 years old.

An employer is only entitled to a tax deduction for contributions other than superannuation guarantee (**SG**) contributions made for the benefit of an employee who is 75 years old, until 28 days after the end of the month in which the employee turns 75 years old.

However, compulsory SG contributions are able to be accepted by a fund and are deductible to the employer if paid within the SG payment requirements.

Work test & work test exemption

To meet the 'work test', you must be gainfully employed for at least 40 hours during a consecutive 30-day period in the financial year in which the contributions are made.

This is an annual test, once you meet this test you can make contributions for the entire financial year.

Gainfully employed means employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment.

If you do unpaid/voluntary work or only receive passive income (such as interest, dividends, trust distributions or rent) you do not meet the definition of gainfully employed.

If you do not meet the work test, you can use the 'work test exemption' on a one-off basis if you have:

- satisfied the work test in the financial year preceding the year in which you made the contribution;

- a total superannuation balance of less than \$300,000 at the end of the previous financial year;
- not relied on the work test exemption in a previous financial year.

What actions need to be taken to claim a tax deduction for concessional contributions?

If you are eligible and want to claim a tax deduction for your personal super contributions, you must provide your notice of intent to your superannuation fund in the approved form by either:

- completing the ATO form *Notice of Intent to Claim a Deduction for Personal Super Contributions* ([NAT 71121](#));
- using your superannuation fund's own form; or
- writing to your superannuation fund, stating you wish to claim a tax deduction for your personal super contributions and including all the information required in the ATO form.

You must give a notice of intent to claim a deduction to your superannuation fund by the earlier of either the:

- day you lodge your tax return for the year in which you made the contributions; or
- end of the financial year following the one in which you made the contributions.

Your fund must send you a written acknowledgment, confirming they have received a valid notice from you, and this should be received before you claim the tax deduction on your personal income tax return.

In order to obtain a tax deduction for the year ending 30 June 2026, please ensure that concessional contributions are received by your superannuation fund to allow sufficient time for them to be cleared by 30 June 2026. **We recommend making all contributions prior to Friday 19 June 2026.**

Please contact your Lowe Lippmann representative if you wish to discuss any of these matters further.

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