

FIRST HOME SUPER SAVER SCHEME

What is the First Home Super Saver (FHSS) Scheme?

If you're a first home buyer, the First Home Super Saver (FHSS) scheme is designed to help you save for a deposit using your super account. The scheme allows you to withdraw eligible voluntary contributions you've made to your super after 1 July 2017, along with their associated earnings. Voluntary contributions are those that you make to your super. Compulsory contributions made by your employer are not voluntary contributions.

 To find out how to make voluntary contributions to your super, read our **How to add money to grow your super** factsheet at mine.com.au

Why would you use the scheme?

Using the FHSS scheme allows you to take advantage of the generous tax rates that apply to super.

- If you make before-tax contributions, these contributions are taxed at 15% when they go into your super account. This is a concessional rate that may be less than the marginal rate you usually pay on your income.
- Super released under the FHSS scheme will be taxed at your marginal rate¹ less the 30% FHSS tax offset on the way out. If you kept your savings outside super, the earnings wouldn't receive the 30% FHSS offset.

Who is eligible?

To be eligible for the scheme, you must:


- be at least 18 years old
- have never owned property in Australia²
- enter a contract to buy a residential premises (i.e. not a houseboat, motor home or any premises not being occupied as a residence) within 12 months from the release of your super under the FHSS scheme³
- intend to live in the home as soon as possible and for at least six months within the first 12 months of ownership
- not have previously withdrawn money from your super through the FHSS scheme.

How much can you withdraw from your super under the FHSS scheme?

You can apply to have a maximum of \$15,000 of your voluntary contributions from any one financial year included in your eligible contributions to be released under the FHSS scheme, up to a maximum of \$50,000 contributions across all years. You can also withdraw the earnings from these contributions.

The amount you can withdraw will depend on a range of factors, including tax. To find out more about tax and the scheme, read the **Why would you use the scheme?** section of this factsheet.

You can only withdraw money from your regular super accumulation account. You can't withdraw money from a defined benefit, pre-retirement pension, or pension account.

 **How much have I contributed to my super?**
You can see how much you've contributed to your Mine Super account by logging in to your account at mine.com.au

¹ If the ATO isn't able to determine your marginal rate, you'll be charged a flat 17% rate instead.

² If you've previously owned property but have lost it due to financial hardship, you might be eligible for the FHSS scheme under hardship provisions. You can check with the ATO.

³ If you intend to purchase vacant land, it is the contract to construct your home that must be entered within the 12 month period.

How are earnings you withdraw under the scheme calculated?

The Australian Taxation Office (ATO) will calculate the 'associated earnings' you can withdraw using a specific formula, rather than the actual amount the contributions you're withdrawing might have actually earned. To find out more, go to ato.gov.au or call the ATO's superannuation infoline on 13 10 20.

How do you withdraw your money?

To withdraw your money, you need to apply to the ATO. The ATO will give you an FHSS determination, which will tell you your maximum FHSS release amount.

Once the ATO has approved your application, they'll notify us and we'll withdraw the money from your account and send it to the ATO. The ATO will then pay the money to you after tax.

What if you don't purchase a home?

Once you've received the payment, you will have to sign a contract to purchase or construct a home within 12 months. If you don't, you'll need to:

- apply to the ATO for a 12-month extension, or
- keep the money and pay 20% tax on any before-tax
- contributions (and any earnings) paid to you, or
- return a minimum of the assessable FHSS released amount (i.e. your released concessional contributions and released earnings) to your super account.⁴

Completing your tax return

If you've applied for a FHSS release, you'll receive a payment summary from the ATO. This will show you any tax you've paid as you'll need to include the payment in your next tax return.

Financial advice can help

If you're not sure if the FHSS scheme is right for you, you can talk to a financial adviser. As a Mine Super member, financial advisers from Mine Super Financial Advice can review your financial position and help you achieve your financial goals. Financial advisers recommend what they think is best for you and your future.

To make an appointment with Mine Super Financial Advice, call us on 13 64 63.

Need more information?

If you want more information about the scheme, you can call us on 13 64 63, and we'll be happy to help. Our Contact Centre team can provide general information on the scheme and put you in touch with a financial adviser from Mine Super Financial Advice.

You can also find more information about the FHSS scheme on ato.gov.au or call the ATO super infoline on 13 10 20.

⁴ If you decide to do this, you can't claim the amount as a tax deduction.