

Give your finances an end of financial year boost Strategies for over 60's

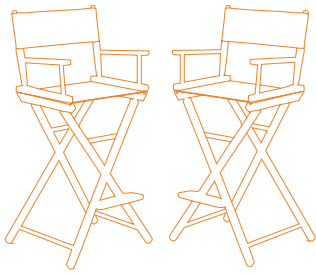
The end of the financial year is rapidly approaching, meaning it's the right time to think about strategies you may be able to put in place to give your finances a well deserved boost.

As always, your adviser is ready to assist. And to help you to start thinking about some of the strategies that may be right for you, we've put together a list, including a summary of the benefits of each. Some of these strategies may have short-term benefits for your tax position and some will have benefits for your savings over the years to come.

Whichever you choose, you are helping to grow your wealth - one step at a time.

Strategy	Why contribute?
Make a personal (non-concessional) contribution to super	You can help make the most of your super retirement savings by contributing money to super from after-tax income or savings each year. It is important to note contribution limits apply of up to \$150,000 p.a. If you are under age 65 you can also bring forward two years of contributions, allowing a contribution of \$450,000 in the current year. If you are aged between 65 and 74, you must also satisfy the work test in order to contribute. These contributions are not tax-deductible.
Take advantage of the Government co-contribution to superannuation	For those who earn less than \$61,920 in 2009/2010, are less than 71 and make a personal super contribution by 30 June, the Government will make a payment of up to \$1,000 to eligible persons.
Make a spouse contribution to boost super savings and receive a tax offset	Those who make spouse contributions on behalf of their non-working or low income-earning spouse may be able to claim an 18% tax offset on contributions up to \$3,000, meaning a maximum offset of \$540. Your spouse must be under age 65, or between age 65 and 70 and be able to meet the work test.
Boost your savings and reduce tax via salary sacrificing	If you are likely to receive a bonus payment before 30 June, you could consider salary sacrificing the payment into superannuation, potentially reducing your tax bill.*
Defer asset sales to manage capital gains tax (CGT)	If you are in the position of needing to sell a profitable asset, holding off selling the asset until after 30 June may result in deferring, or reducing, a CGT liability.
Pre-pay 12 months interest on an investment loan	Pre-paying interest allows you to bring forward the tax deduction and potentially pay less tax this financial year.
Pre-pay 12 months income protection insurance premium	Taking out an income protection policy, outside of super, before 30 June and pre-paying premiums allows you to bring forward the tax deduction and reduce your tax bill this financial year.

* Please note you must have a legitimate salary sacrifice agreement in place with your employer before you become entitled to the income you wish to salary sacrifice.



Have you also considered retirement strategies?

The end of the financial year is also a good time to consider broader financial planning strategies that could help you build long-term wealth.

Transition to retirement strategy

If you are still working, under 65 years and looking to grow your super or reduce the number of hours you are working while maintaining your income, a transition to retirement strategy may be just right for you. As you continue to work, you can salary sacrifice to super whilst receiving a regular income from your superannuation savings through an allocated pension. And being over 60, the income from your pension will be tax-free.

Recontribution strategy

Recontribution strategies are often only considered to be effective for those under age 60. However, recontribution strategies can also prove to be an effective tool for estate planning as they may enable adult beneficiaries to pay less tax on assets bequeathed to them upon your death.

And of course, if you are considering full retirement, it pays to start planning several years ahead.

Make the end of the financial year work for you – it's a sound financial move. Speak to your adviser now about making the most of your end of financial year opportunities.

FSP Portfolio Services

FSP Prestige Plus:

Operator
FSP Portfolio Administration Limited
ABN: 72 093 403 608 AFSL: 244524
Phone: (02) 9253 8500
Fax: (02) 9253 8540

FSP Super Fund:

RSE Registration No: R1056860
Trustee:
FSP Super Pty Ltd
RSEL0003001
ABN: 25 091 778 639 AFSL: 244312
Phone: (02) 9253 8500
Fax: (02) 9253 8540

Administration enquiries:

FSP Customer Care
Locked Bag 1000
Wollongong DC NSW 2500
Freecall: 1300 333 664
Fax: (02) 4228 2360
FSPCustomerCare@oasisasset.com.au

Disclaimer

The content of this brochure has been prepared without taking into account any individual's objectives, financial situation or needs. Because of that, before acting you should consider the appropriateness of what is included here, having regard for your own objectives, financial situation and needs. Before making any decision about whether or not to acquire or continue to hold a financial product mentioned in this brochure, you should obtain and consider the latest disclosure document for the product. You should also obtain advice from your qualified financial adviser.