

EPISODE
375



THE DARK SIDE OF SUPERANNUATION WITH CAMERON MURRAY

Disclaimer:

The information provided on this presentation is general in nature and does not constitute personal financial advice. The information has been prepared without taking into account your personal objectives, financial situation or needs. Because of this, you should consider the appropriateness of the information for your own objectives, financial situation and needs before acting on it. Also, before you decide to invest in a financial product arranged by a representative of Nucleus Wealth Management Pty Ltd, ABN 54 614 386 266, corporate authorised representative of Nucleus Advice Pty Ltd AFSL 515796 (Nucleus Wealth or we or us), it is important that you read and consider the Product Disclosure Statement relating to the product before making any decision about whether to invest in it. Your Nucleus Wealth adviser can help you with this decision if you would like them to do so.

What is the cost of super:

- Cost of Managers
- Cost of tax cuts
- Relative tax rates
- True origins
- Financial management for rich vs poor

Financial Planning version:

- Reduce your income tax
- Get tax-free retirement income
- Reduce tax on inheritance
- Save for first home more efficiently

Reduce Income Tax:

- Compulsory Super. **What to do:** (mostly) nothing.
- Additional Super via employer. **What to do:** speak to your employer about salary sacrifice into superannuation. Check balance (\$500k important) & catch-up contributions. Check your marginal tax rate.
- Make a payment from your savings, claim a tax deduction. **What to do:** fill in a form with your superfund.
- If you are in a relationship and one partner is earning a very low salary, there are tax savings and strategies. **What to do:** Spouse contributions (up to \$3k = \$540 tax offset). Co-contribution (\$1k after tax = \$500 match from government). Contribution splitting.

Get tax free retirement income:

Transfer balance cap 1.9m. This is how still tax-free in pension.

Total Super cap: Different restrictions. <500k = catch up contrib's, \$1.7m = no bring forward, \$1.9m = no non-concessional contributions, \$3m = 15% additional tax.

- All of the above income tax methods. Particularly close to retirement.
- Transfer money from your savings into super. **What to do:** \$120,000 per year each each, 3 year catchups available.
- Note trying to balance super between partners is probably going to be important going forward. **What to do:** (probably) try to keep balanced, noting issues if large age gap.

Reduce Tax on Inheritance:

- How does this work?. Up to 17% on superannuation to adults inheritors.
- Note taxable vs not taxable. Simple version is that if you haven't paid tax on the money it is probably taxable on death.
- Recontribution strategy. **What to do:** tax money out in pension phase, put in back in.

Save for first home more efficiently:

Not about using super for home, it is about using your super tax rate. Must be additional contributions, can't be compulsory contributions.


Example: Say you are saving \$1,000 a month (pre tax)


- Outside of super (on a 32% tax rate) you end up with \$680.
- Inside super you end up with \$850.
- 25% return on day 1!


Downside: You can't get it back.


Note investment return: Market or target date.


Choose themes to screen from your portfolio away from (i.e. remove stocks)


Climate Change



War



Human Rights



Health


Vices


Animal Rights


Religion


Asset Class


Thematic


Climate Change

- ☐ No Fossil Fuels (Worst Offenders) ⓘ
- ☐ No Fossil Fuels (Any) ⓘ
- ☐ No Coal Seam Gas or Fracking ⓘ
- ☐ No Nuclear Power ⓘ
- ☐ No Old Growth Forest Logging ⓘ

Personalise Your Portfolio

Screens

You can exclude the below to customise your portfolio

Climate Change	War	Human Rights	Health	Vices
Animal Rights	Religion	Asset Class	Thematic	

- No Fossil Fuels (Worst Offenders) ?
- No Fossil Fuels (Any) ?
- No Coal Seam Gas or Fracking ?
- No Nuclear Power ?
- No Old Growth Forest Logging ?



Tilts

You can add the below to customise your portfolio

Investment Style Factors	Climate Change	Technology	
Consumption	Commodities	Military	GICS Sectors

- Quality Stocks ?
- Value Stocks ?
- Growth Stocks ?
- Defensives ?

Personalise your portfolio now >



Build Your Portfolio

Need help with this page?  Video Tutorial

Account Selection

Investment Choice

Risk Profile

Build Your Portfolio

Ethical Overlay

Review

Applicants


Bank Details


Compliance

Final Review


Portfolio Tilts



Quality Stocks 

Value Stocks 

Growth Stocks 

Oil & Gas Stocks 

Gold Stocks 


Agribusiness 


Large Technology Stocks 

Cloud Computing Stocks 


Robotics/AI 

Video Gaming 


Cybersecurity 

Clean Energy 

Defensives 


Battery Supply Chain 

Nuclear Power 


Defense Contractors 


Travel 

Luxury Goods 


Logistics 


Global Communication Services 

Global Consumer Discretionary 

Global Consumer Staples 

Global Energy 

Global Financials 

Global Health Care 

Global Industrials 

Global Information Technology 

More from Nucleus Wealth:

Content: [Nucleuswealth.com/content](https://nucleuswealth.com/content)

Have a guest or topic suggestion for the show?
Leave a comment on YouTube

Find us on all major (and minor) podcast platforms:



Social media:



Facebook.com/nucleuswealth



Linkedin.com/company/nucleuswealth



Instagram.com/nucleus_wealth



Twitter.com/nucleuswealth