

First Home Super Savers Scheme

Saving for your first home deposit in your super

Struggle with a savings plan?

Need to put your money somewhere you cannot readily* access it until you buy your first home?

Want to take advantage of tax breaks to help boost your savings?

What is the First Home Super Savers (FHSS) scheme?

The FHSS scheme is an Australian government initiative that provides you the opportunity to voluntarily contribute up to a total of \$50,000 to your super fund, and then use this amount (plus earnings, less tax) to buy your first home.

How can I save in super?

Voluntary contributions include money you deposit into your super fund on top of the compulsory contributions your employer makes. This includes pre-tax contributions (such as salary sacrifice) and after-tax contributions. If you're a couple, you can both use the scheme and double the amount you save up to \$100,000.

What are the tax breaks?

The great thing about this scheme is that since you're saving through super, you pay less tax than saving outside super, which means you can save for a deposit faster.

Your pre-tax contributions are taxed at 15% in super. After-tax contributions will not incur tax inside your super as income tax has already been paid.

Who is eligible?

To be eligible, you must:

- be at least 18 years of age at the time of applying for the release of your money from super
- have never owned a property (including an investment or commercial property) in Australia**
- live or intend to live in the property for at least six months of the first 12 months after purchase, and
- not have withdrawn an amount under this scheme before.

The maximum you can contribute to super under the FHSS scheme is \$15,000 in any one financial year, up to a total of \$50,000 across all years. This includes a 'deemed rate of return', calculated by the ATO, that is applied to your contributions rather than the actual earnings.

Voluntary contributions plus any your employer makes must remain under the usual super contribution caps, which are \$27,500 p.a. for pre-tax and \$110,000 p.a. for after-tax contributions (2022-23).

Your pre-tax contributions, as well as any earnings that are withdrawn, will be taxed at your marginal tax rate with a 30% offset.

How do I withdraw the money?

You don't need to tell your super fund that you're contributing to the FHSS scheme – all voluntary contributions you make on, or after, 1 July 2017 count towards your deposit.

Once you're ready to buy your first home log into your MyGov account and complete an ATO FHSS 'determination' form.

The ATO (not your super fund) will determine how much you can withdraw and arrange for the money to be released from your super fund. This process could take up to 25 days.

What kind of property can I buy?

FHSS scheme applies to a residential property that can be occupied as a residence, or vacant land that you plan to build on and occupy as a residence. You will not be able to use it to buy a houseboat or motor home.

How long do I have to buy?

You will have 12 months after withdrawing the money to sign a contract for your new home. Depending on the situation, there is the possibility of a 12-month extension.

If you don't end up buying a home within 12 months, you must either re-contribute the released amount back into superannuation or pay a tax penalty equal to 20% of the amount released.

More questions?

Visit the ATO website or make an enquiry at [bendigobank.com.au/financialadvice](https://www.bendigobank.com.au/financialadvice) and we'll get in touch.

*There are very limited circumstances where you can access your super early. These circumstances are mainly related to specific medical conditions, severe financial hardship or the FHSS scheme and must meet specific eligibility criteria. **If joint ownership all parties must not have previously owned a property (including an investment or commercial property) in Australia. Bendigo SmartStart Super is issued by Bendigo Superannuation Pty Ltd ABN 23 644 620 128 AFSL 534006 (Bendigo Superannuation), a subsidiary of Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879 (the Bank). Both of these companies receive remuneration on the issue of the product or service they provide. Investments in this product are not deposits with, guaranteed by, or liabilities of the Bank or any of its related entities. This document is issued by Bendigo Superannuation and contains general advice only. Information is given in good faith and has been derived from sources believed to be accurate at its issue date. This information has not been verified and Bendigo Superannuation has no obligation to notify you in the event that any information or opinions change. You should consider your situation and read the product disclosure statement available at [bendigobank.com.au/super](https://www.bendigobank.com.au/super) before making an investment decision. To see target market determination: [bendigobank.com.au/TMD](https://www.bendigobank.com.au/TMD) (1753321-1752042) (06/22)