



Media Release

Senator Alan Eggleston

Liberal Senator for Western Australia

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2006/07 Budget Makes Superannuation More Meaningful: Senator Eggleston

WA Senator Alan Eggleston has welcomed the many superannuation benefits Australians are to receive under the Liberal Government's 2006/07 Budget.

Senator Eggleston said the highlight of this year's Budget was that Australians aged 60 and over who have already paid tax on their super contributions and earnings will no longer pay tax on benefits as of 1 July 2007.

"The 2006/07 Budget has made superannuation benefits no longer assessable as an income for tax purposes," Senator Eggleston said.

"This will provide Australia's retirees with a superannuation income that will allow them to better provide for themselves in comfort."

"The new Budget has also sought to even up the playing field for self-employed superannuation investors," said the Senator.

"Under the Government's plan for superannuation, the self-employed would be able to claim a full deduction for their superannuation contributions, as well as being eligible for the Government co-contribution for their personal post-tax contributions."

The 2006-07 superannuation plan will also abolish reasonable benefit limits, introduce streamlined rules for contributions and give individuals greater flexibility as to how and when they wish to draw on their superannuation in retirement.

Senator Eggleston had previously expressed concerns over Australia's superannuation being taxable at four points – these being contributions, withdrawals, on taking a lump sum and on annuities.

The Senator concluded: "Along with the abolition of the superannuation surcharge last August, these endeavours of the 2006/07 Budget are a welcome step forward in resolving the issue of the 'greying' of Australia."