

We can help you own your tomorrow by building for a better retirement... today

Whatever your vision for retirement - whether it's knowing you'll have plenty of time to spend with your family, or that you can comfortably retire with enough money to travel wherever the wind takes you - choosing the right strategies can help make that vision a reality so you can own your tomorrow.

The age of opportunity...

Your 55th birthday is an important event, because from this age, you are able to access your super as a regular income through a **transition to retirement pension**. This is also the age of greater flexibility in boosting your retirement savings.

From age 55, if you are still working you can choose to:

CONVERT YOUR TAX BILL INTO SUPER SAVINGS

You can continue to work full-time but reduce your tax bill by salary sacrificing into super to boost your retirement savings.



WORK LESS BUT MAINTAIN YOUR LIFESTYLE

You can reduce your work hours and draw the shortfall from an income stream. Not only can you achieve the same level of income as if working full-time but you save tax as well.



RECEIVE TAX-FREE INCOME

If you are age 60, reduce your tax bill by salary sacrificing some of your income into super and receiving the shortfall from an income stream, completely tax free.

Freeing up wealth to fund a better retirement

Many of us have assets outside of the superannuation system. This is a great comfort as you move into retirement. But how do you make what you have, work hardest for you as you prepare for retirement? A financial planner accredited by AMP Financial Planning can help you make the most of a number of opportunities.

FREE UP WEALTH...

You may have invested outside super (for example in property), which is now worth a lot of money. This can act as your safety net for a better retirement. You can draw on the equity in your investment and even your home to provide money to live on in retirement.

AND PAY LESS TAX

While you may have a lower super balance you may have accumulated substantial assets outside of super. Earnings on these are generally taxed at your marginal tax rate. Transferring these assets into a superannuation environment can save you substantial tax - giving you more money to live on.

Case Study

Jack is aged 60 and still working full-time with an engineering firm. Jack is married to Lois. They have 3 children and 6 grandchildren. Jack's current salary is \$75,000 plus a Super Guarantee (9%). His current super balance is \$120,000.

Problem

He knows that his current super savings may not be enough to fund the kind of retirement he and Lois are expecting.

Solution

Jack discusses his individual circumstances with his AMP financial planner. They both agree that Jack should salary sacrifice into his super and use the tax saving to further build for his retirement by boosting his super savings. Jack contributes \$18,140 of his before tax salary to super via salary sacrifice. This reduces his overall assessable income and reduces his income tax. As Jack has already reached age 55, he can now access some of his super savings. He opens a retirement account and starts an income stream using his current \$120,000 super balance, with a maximum income (10% of his balance) of \$12,000 per year. The \$12,000 from his income stream adds to his lower salary to provide the same level of income he received before starting this strategy.

CURRENT SITUATION	BUILDING FOR RETIREMENT STRATEGY	
Gross salary \$75,000 Less tax* -\$17,175	Income stream from retirement account \$12,000	Income from salary Gross salary \$56,860 Less tax* -\$11,035 Net salary \$45,825
Total salary = \$57,825	Total net salary = \$57,825	

*This does not include the Flood levy which will apply for the 2011/12 financial year only.

Benefit

Not only does Jack save tax on his income, but he builds his super and also receives the income stream payments, tax free.

Salary sacrifice contributions	+\$18,140
Super contributions tax (15%)	-\$2,721
Income stream payments	-\$12,000
Increase in super	\$3,419

What you need to know

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The case study above is hypothetical, and not based on any person's actual circumstances.

Considering your options

You may have a number of questions about accessing your super and how to free up wealth in your hard earned assets as you plan for retirement.

- How do I access the capital in assets that I own, such as investment property or shares?
- Should I consider downsizing from my current family home?
- What are the tax benefits and risks?
- Will I have enough money to live on?
- How long will my money last in retirement?

Your adviser or financial planner can help answer these questions and more. **Together you and your financial planner can develop a personalised strategy to help build you a better retirement.**

Take the next step today by:

- Talking to **your financial planner**.
- Calling us on **133 888**, Monday to Friday, 8.00am to 7.00pm AEST.