



SGD 2006/1 - Superannuation guarantee: what is the maximum contribution base for a quarter in the 2006-2007 financial year?

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 This document has changed over time. This is a consolidated version of the ruling which was published on *31 May 2006*



Superannuation Guarantee Determination

Superannuation guarantee: what is the maximum contribution base for a quarter in the 2006-2007 financial year?

Preamble

Superannuation Guarantee Determinations do not have the force of law. Each decision made by the Australian Taxation Office is made on the merits of the individual case having regard to any relevant Rulings and Determinations.

1. **\$35,240.**

2. By applying subsection 15(3) of the *Superannuation Guarantee (Administration) Act 1992* (SG(A)A), the maximum contribution base for a quarter in the 2006-2007 financial year is:

$$\begin{array}{l} \$33,720 \\ \text{(maximum contribution} \\ \text{base for a quarter in} \\ \text{2005-2006)} \end{array} \times \text{Indexation factor for the 2006-2007 financial year}$$

3. By applying section 9 of the SG(A)A, the indexation factor for 2006-2007 is the greater of '1' and the number found by dividing the AWOTE amount for February 2006 by the AWOTE amount for February 2005.

4. The AWOTE amount is an estimate by the Australian Statistician of the full-time adult average weekly ordinary time earnings for persons in Australia. The estimate for February 2006 was \$1037.50 and the estimate for February 2005 was \$992.90.

5. This produces an indexation factor of 1.045. When applied to \$33,720 the amount comes to \$35,237.40. Subsection 15(4) of the SG(A)A provides for this amount to be rounded to the nearest 10 dollar multiple (rounding 5 dollars upwards). Therefore, the maximum contribution base for a quarter in the 2006-2007 financial year is \$35,240.

Date of effect

6. This Determination applies to the 2006-2007 financial year.

SGD 2006/1

Commissioner of Taxation

31 May 2006

Previous draft:

Not previously issued as a draft

Previous Rulings/Determinations:

SGD 94/7; SGD 95/2; SGD 96/1;
SGD 97/2; SGD 98/1; SGD 1999/1;
SGD 2000/1; SGD 2001/1; SGD 2002/1;
SGD 2003/1; SGD 2004/1; SGD 2005/1

Subject references:

- average weekly ordinary time earnings
- contribution base
- earnings base maximum

Legislative references:

- SG(A)A 1992 9
 - SG(A)A 1992 15(3)
 - SG(A)A 1992 15(4)
-

ATO references

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ATOLaw topic: Superannuation Entities ~~ Administration