

FIRST HOME SUPER SAVER SCHEME

July 2025

This information is about Media Super. It doesn't account for your specific needs. Please consider your financial position, objectives and requirements before making financial decisions. Read the relevant Product Disclosure Statement (PDS) and Target Market Determination to decide what's right for you. Call **1800 640 886** or visit mediasuper.com.au.

United Super Pty Ltd ABN 46 006 261 623
AFSL 233792 as Trustee for the Construction
and Building Unions Superannuation Fund
ABN 75 493 363 262 offering Media Super
products (Media Super).

MySuper authorisation:
75 493 363 262 473.

1534.9 07-25 ISS5

To help more first home buyers get into the property market, the Government is offering a First Home Super Saver (FHSS) Scheme.

The FHSS Scheme allows you to access voluntary contributions you've made to your super (before or after tax), along with associated earnings, to use for your first home deposit.

What are the benefits of the scheme?

- ✓ **Tax savings.** Before-tax contributions into super (for example, through salary sacrificing) will be taxed at 15%. For most people, this will be less than their marginal tax rate – which could be up to 45% plus the Medicare levy.
- ✓ **Potentially higher earnings on your savings.** You might earn a higher return on your savings if the deemed rate (determined by the ATO) is higher than what you'd get in your regular savings account or term deposit. The deemed rate for the quarter ending June 2025 is 7.17%. The current deemed rate, also known as the shortfall interest charge can be accessed on the **ATO's website**.

Are you eligible?

You may be eligible for the scheme if you:

- have never owned property or land in Australia,
- intend on purchasing a property in Australia for residential purposes (for example, it can't be a houseboat, motor home or investment property),
- intend on living in the property for at least 6 of the first 12 months you own the property, and
- have not previously withdrawn funds as part of the scheme.

You'll also need to be 18 or over to apply to access any savings under the scheme.

How does it work?

1	<p>Build your voluntary contributions</p> <p>Up to \$15,000 per year of your voluntary contributions since 2017 can be used towards the scheme, up to a total of \$50,000.</p>
2	<p>Apply for your FHSS determination from the ATO</p> <p>Before you sign a contract to purchase property, you need to apply to the ATO for an FHSS determination through your myGov account*. This is when the ATO confirms how much you could withdraw under the scheme, including investment returns based on a deemed rate.</p>
3	<p>Apply to withdraw your savings</p> <p>With your <i>FHSS determination</i>, apply through myGov to release that amount when you're ready to purchase or build a home. Then you have up to 12 months to sign a contract (with extensions available). Or, if you've already signed a contract, apply through myGov to release your funds within 90 days of signing.</p>
4	<p>Buy your first home and notify the ATO</p> <p>You must notify the ATO through myGov within 90 days of signing, otherwise you'll have to put that money back into your super.</p>

*You need to do this before any ownership transfers to you, or you won't be able to access the funds.

How does it affect your tax?

Any before-tax contributions (for example, salary sacrifice) will be taxed at 15% on the way in, and any investment earnings on these contributions will also be taxed at up to 15%.

When your savings are withdrawn from super, the ATO will withhold tax based on your expected marginal tax rate, (including Medicare levy, less a 30% tax offset) OR a tax rate of 17% if the ATO is unable to estimate your expected marginal rate. If you made any contributions from your after-tax income, no tax will be deducted on these contributions.

You'll also need to include the assessable portion of the released amount as assessable income and tax withheld shown on your payment summary in your tax return for the financial year in which you applied to the ATO.

If you change your mind and don't end up purchasing a home, you'll have the option of putting the money back into super, or paying an amount of tax that may clear any tax benefit you received as part of contributing to the scheme.

Things to consider

- ✔ **Are you on a lower income?** A benefit of the scheme is taking advantage of the lower tax rates through super to boost your savings. If you're in a lower tax bracket where you pay little to no tax, this scheme may not be suitable for you. It may be a good idea to speak to our Advice Services team before deciding whether to use this scheme.
- ✔ **Normal super contribution limits still apply.** Any voluntary contributions you make (both before tax and after tax) will count towards your overall contribution limit. For the 2025-26 Financial Year, the annual concessional contribution cap is \$30,000, and the annual non-concessional contribution cap is \$120,000*. You may be able to contribute above these caps by utilising the carry forward or bring-forward arrangements if these are available to you. If you exceed these limits, tax penalties may apply.
- ✔ **You'll still have to pay tax on the way out.** Your concessional contributions and earnings will generally be taxed at your marginal tax rate, minus a 30% tax offset. No tax will be applied to non-concessional contributions on the way out.
- ✔ **Investment returns are deemed by the ATO, not based on your fund's performance.** The earnings on your contributions will be calculated by the ATO on a deemed rate based on a 90-day Bank Bill Rate plus 3% – which could be higher or lower than what you could earn outside of super.
- ✔ **Speak with your lender to confirm what is considered to be 'genuine savings'.** When you apply for a home loan, lenders like to see a history of regular contributions into a savings account. It's a good idea to check they see FHSS scheme savings as genuine savings before opting into the scheme.



Visit the ATO's website at ato.gov.au/FHSS for more information on the FHSS scheme.

We're here to help

Our Advice team is here to help you with your advice needs and any questions you have about the process. Call us on **1800 640 886** from 8:30am to 6pm (AEST/AEDT), Monday to Friday.

Visit mediasuper.com.au/advice for more details, or you can contact us on the details below.



enq@mediasuper.com.au
mediasuper.com.au



1800 640 886 8am to 8pm (AEST/AEDT)
Monday to Friday



Media Super, Locked Bag 5056
PARRAMATTA NSW 2124



Visit us in person in Adelaide, Brisbane,
Melbourne, Perth and Sydney.
Details: mediasuper.com.au/contact



* Limits for the 2025/26 year (visit ato.gov.au to check the current limits).