First Home Super Saver (FHSS) Scheme

Trying to save a deposit for your first home?

The first home super saver (FHSS) scheme allows you to save money for your first home in your super fund. This will help first home buyers save faster with the concessional tax treatment of super.

How it works

From 1 July 2017, you can make voluntary concessional (before-tax) and voluntary non-concessional (after-tax) contributions into your super fund to save for your first home.

From 1 July 2018, you can apply to release your voluntary contributions and associated earnings to help you purchase your first home.

You can contribute up to $15,000 of your voluntary contributions each financial year, within existing contribution caps.

You can apply to release up to $50,000 across all years under the scheme. Prior to 1 July 2022 the maximum across all years was $30,000.

Am I eligible?

You must be 18 years old or older to request a FHSS determination or a release of amounts under the FHSS scheme. However, you can make eligible contributions before you are 18 years of age.

Also, you must:

- have never owned property in Australia
- not have previously made a FHSS release request under the FHSS scheme
- intend to occupy the property for at least six (6) months within the first twelve (12) months you own it, after it is practical to moved in

Eligibility is assessed on an individual basis. This means that couples, siblings or friends can each access their own eligible FHSS contributions to purchase the same property. If any of you have previously owned a home, it will not stop anyone else who is eligible from applying.

What if I do not buy a home?

You have 12 months from the date you make a valid release request to notify the Australian Taxation Office (ATO) if you have signed a contract to purchase or construct your home. If you don't buy a home after your time expires, you may either contribute the released amount back into super or pay a tax equal to 20% of the concessional amount released. This removes the tax benefit you received from using the FHSS scheme.

How are released funds taxed?

The ATO will withhold tax on the released amount at either:

- your expected marginal tax rate, including Medicare levy, less 30% tax offset
- 17%, if the ATO is unable to estimate your expected marginal rate.

Any released eligible after-tax contributions will be paid tax-free to you.

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Want to learn more?

You can learn more about the FHSS scheme at ato.gov.au. Alternatively, book an appointment with our Financial Planner, Hernan Reyes, through our Member Services Team. Hernan is authorised to provide advice on various topics with NESS Super.

We're here to help

If you have any questions, you can contact our Member Services Team, Monday to Friday between 8.30am - 6.00pm (AEST/AEDT) on **1800 022 067** or email **contact@nesssuper.com.au**

Things you should know

The information contained in this document is up to date at the time of its publication. However, some information can change over time. The contents are for general information only and do not constitute personal advice. We recommend that you consult with a suitably qualified person before making any financial decisions.