Guide to Contribution Caps

Contribution caps apply to both concessional and non-concessional contributions made to superannuation.

The contributions caps that currently apply are:

Contribution Type	Age	2026/27
Concessional	All ages	$32,500
Non-Concessional	All ages	$130,000
Downsizer Contributions	55 +	$300,000

The concessional contribution cap is currently $32,500 per annum. This applies to all concessional contributions made for or on behalf of a superannuation fund member. The concessional contribution cap is indexed in line with movements in Average Weekly Ordinary Time Earnings; however, indexation will only be made in $2,500 increments.

The non-concessional cap is currently four times the concessional contribution cap, being $130,000 per annum. Non-concessional contributions can only be made by individuals with a total superannuation balance of less than $2.1m.

Where a person is aged 74 or younger at the beginning of the financial year in which they make non-concessional contributions, they may bring forward up to three years non-concessional contributions, thereby being able to contribute up to $390,000. However, where this 'bring-forward' opportunity is triggered after 30 June 2026, the maximum amount that may be contributed in the following two financial years is:

- In year 2, $390,000 less the amount contributed in year 1
- In year 3, $390,000, less the amounts contributed in years 1 and 2

The three year bring-forward rule is triggered when the total non-concessional contributions made in a financial year exceed $130,000. For example, if non-concessional contributions of $131,000 are made in the first year, thereby triggering the three year bring-forward rule, the maximum amount of non-concessional contributions that can be made over the course of the following two financial years is $259,000 (i.e. $390,000 - $131,000). By triggering the three year bring-forward rule, non-concessional contributions made over a consecutive three-year period are limited to a maximum of $390,000. Individuals with a total superannuation balance of between $1,840,000 and $2,100,000 may not be able to utilise the full three-year 'bring forward' opportunity.

People aged 75 or older at the beginning of the financial year in which non-concessional contributions are made are limited to a maximum of $130,000. They do not have access to the bring-forward rule.

Tax penalties may apply if either the concessional or non-concessional contribution exceeds the relevant caps.

Where the concessional contribution cap is exceeded, in respect of contributions made after 30 June 2013, the excess contribution may be withdrawn from super. The amount withdrawn will be taxed at the taxpayer's marginal tax rate, plus an interest component. Excess concessional contributions, not withdrawn from superannuation are also counted against a person's non-concessional contributions cap.

As an excess concessional contribution may also be counted against a person's non-concessional contribution cap, an excess concessional contribution may also be taxed where a person has also maximised their non-concessional contributions.
Non-concessional contributions that exceed the applicable non-concessional contribution cap and are made on or after 1 July 2013 must be withdrawn from super along with the earnings on those contributions. The earnings are taxed at the taxpayer's marginal tax rate. If the member fails to withdraw the excess non-concessional contributions from super, they will be taxed at 47%.

Certain non-concessional contributions may be excluded from being assessed against the non-concessional contribution cap. These include contributions made under the 'small business capital gains tax concessions' where a separate cap of either $500,000 (where the contribution is made under the 'retirement exemption') or $1,935,000 (for contributions made under the '15 year exemption') applies. Non-concessional contributions made because of certain personal injury settlements are not subject to the non-concessional contribution cap, provided certain conditions are met.