



May 2010 e-newsletter

## Purchasing insurance in superannuation

Enjoying life and all it has to offer 'stress free' is what's important to many people.

With this in mind, McLauchlan & Partners can help you with all your personal insurance needs providing peace of mind and tailored insurance options to help protect you and your family.

What many people don't know is that you can pay for your Insurance through your Superannuation and be covered without affecting your weekly disposable income.

And as many of you all know Superannuation is one of the most tax-effective ways for you to save for your retirement.

It's also one of the best places to take out personal insurances such as:

- Life Insurance
- Total & Permanent Disability Insurance (TPD)
- Income Protection Insurance

### **Buying insurance in super can be more affordable for you:**

- if you are self-employed, you may be able to claim your super investments as a tax deduction, regardless of whether they are used by the fund to purchase insurance or investments
- as you benefit from 'up-front' tax concessions
- if you are an employee and are eligible to make salary sacrifice contributions, you may be able to buy insurance through superannuation with pre-tax dollars, or
- if you make personal after-tax superannuation contributions and meet certain other conditions, you may qualify for a Government co-contribution of up to \$1,000 which could be used to purchase insurance
- can pay for insurance without reducing your disposable income
- If you don't have adequate insurance you may consider having premiums deducted from your existing superannuation balance.
- The trade off with this option is some of the money that could otherwise meet their living expenses in retirement will be used.

Source\*\* [www.mlc.com.au](http://www.mlc.com.au)

McLauchlan & Partners can assist you with tailored insurance strategies specific to your situation. Now is the time to discuss your insurance needs or if you already have Personal Insurance, we would be more than happy to assess your current policies to ensure you have the right coverage.