

KnowHow

How to monitor the transfer balance account

14 March 2024

When commencing or maintaining a retirement phase income stream, it's important to ensure your transfer balance account doesn't exceed your transfer balance cap.

What is the transfer balance cap and transfer balance account?

The transfer balance cap limits the amount that can be transferred into what is known as the retirement phase of superannuation (see below), where earnings are tax-free. The general transfer balance cap is currently \$1.9m in 2023/24 and is unchanged in 2024/25.

Note: Your personal transfer balance cap may differ from the general transfer balance cap. It depends on if you had started a retirement phase income stream:

- at any time before 1 July 2021, your transfer balance cap is \$1.6m plus a proportion of the cap indexation
- for the first time from 1 July 2021 and before 1 July 2023, your initial transfer balance cap is \$1.7m (from 1 July 2023, your transfer balance cap will be \$1.7m plus a proportion of the cap indexation)
- for the first time on or after 1 July 2023, your transfer balance cap will be \$1.9m.

When a superannuation income stream is commenced or transferred to retirement phase, you will start to have a transfer balance account. These accounts are managed by the Australian Taxation Office (ATO), based on information reported to them by your super fund.

What is a retirement phase income stream?

Income streams that are in retirement phase are measured against the transfer balance cap and include:

- account based pensions where certain 'conditions of release' have been met, such as retirement, terminal illness and permanent incapacity
- defined benefit pensions and certain other lifetime income streams
- death benefit pensions, and
- deferred or transition to retirement income streams paid to a person who has met an eligible condition of release.

Transition to retirement pensions will count towards your transfer balance account automatically once you reach age 65 or when you notify your super fund that you meet another eligible condition of release, such as retirement.

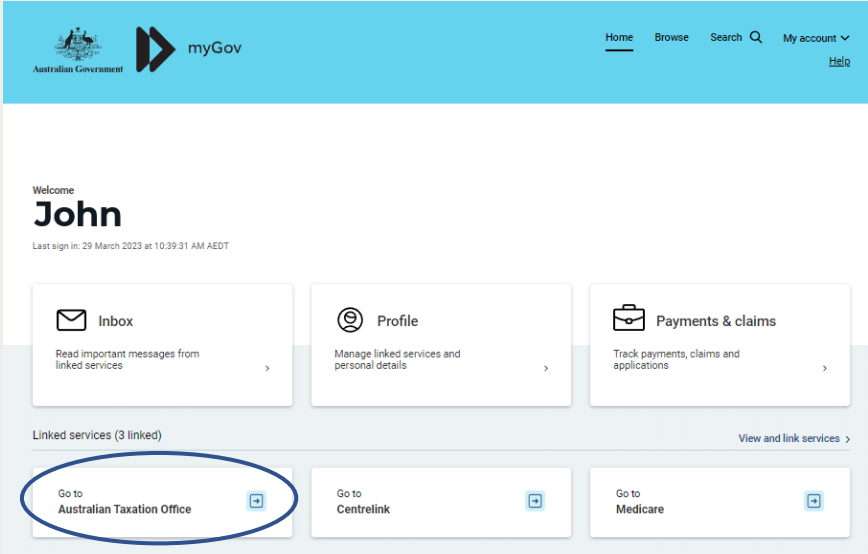
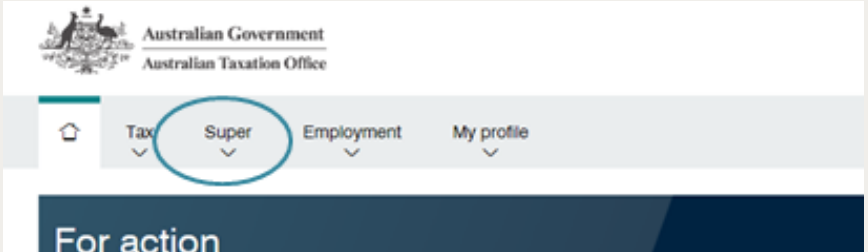
What impacts your transfer balance account?

Your transfer balance account is different from your actual pension account balances. It is a notional account, where certain types of transactions you make are recorded as debits and credits. The most common examples include amounts transferred to commence a pension (credit) and lump sums withdrawn from a pension (debit). Not all transactions to your pension accounts will result in a debit or credit. For example, pension payments and market movements might change your actual pension balance, but don't affect the calculation of your transfer balance account.

How to check your transfer balance account

There are a few ways you can monitor your transfer balance account. You can contact your funds, keep statements and records and/or use myGov. On the following pages, the steps to using myGov to access your transfer balance account information are explained.

How to monitor the transfer balance account

Steps	Details
Login to your myGov account by visiting my.gov.au	<p>Don't have a myGov account or haven't linked the ATO? Use the link below and follow the steps. https://www.ato.gov.au/General/Online-services/Create-your-myGov-account-and-link-it-to-the-ATO/</p>
Select the ATO service	 <p>The screenshot shows the myGov dashboard for a user named John. The dashboard includes a navigation bar with 'Home', 'Browse', 'Search', and 'My account'. Below the navigation bar, there is a 'Welcome John' section with the last sign-in time. There are three main service tiles: 'Inbox', 'Profile', and 'Payments & claims'. Below these tiles, there is a section for 'Linked services (3 linked)' with a 'View and link services' link. Three buttons are shown: 'Go to Australian Taxation Office' (circled in blue), 'Go to Centrelink', and 'Go to Medicare'.</p>
Select the 'Super' tab	 <p>The screenshot shows the Australian Taxation Office website. The navigation menu includes 'Tax', 'Super', 'Employment', and 'My profile'. The 'Super' tab is circled in blue. Below the navigation menu, there is a 'For action' section.</p>

How to monitor the transfer balance account

Click the 'Information' option and then 'Transfer balance cap'

The screenshot shows the Australian Government Australian Taxation Office website. The 'Super' menu is open, showing options: Fund details, Information (circled in blue), and Manage. On the right, a dropdown menu is open, showing options: Total superannuation balance, Concessional contributions, Carry-forward concessional contributions, Non-concessional contributions, Bring forward arrangement, Transfer balance cap (circled in blue), Employer contributions, and YourSuper comparison.

The most up to date 'Available cap space' recorded by the ATO will be displayed.

Click the hyperlink 'Transfer balance account - view transactions' to reveal a detailed breakdown of your transaction details



Note: The transfer balance account information shown reflects the information that the ATO has received from your super funds to that point.

If there is a delay in any of your funds reporting to the ATO, or there has been an error in reporting, the information displayed will not be accurate. See below for more information.

Transfer balance cap

A transfer balance account is used to monitor the super savings transferred into a retirement phase account. Use this information to help plan for retirement by monitoring your current personal transfer balance cap and available cap space. The information displayed on this screen is based on information reported to us. Your personal transfer balance cap is based on the highest ever balance of your transfer balance account and may change if the information we have relied on to calculate it changes.

Available cap space
\$782,000.00

Description	Amount
Your current personal transfer balance cap	\$1,646,000.00
Transfer balance account - view transactions	\$864,000.00

[Print-friendly version](#)

How to monitor the transfer balance account

Transactions in your transfer balance account will be displayed. Click the 'Download' button to access a print-friendly version of your account details, which you can email or print

Transfer balance account - view transactions

i If you believe that this information has been reported incorrectly, or there are events that have not been reported, please contact your superannuation provider.

Transactions Download

[Key definitions](#)

Effective date	Received date	Description	Amount	Balance
30/06/2021	01/07/2021	Superannuation income stream	\$864,000.00 CR	\$864,000.00 CR ▼

Back Print-friendly version

Q: How will you know if you have an excess transfer balance amount?

If the ATO has received reporting from your super funds and is aware of an excess transfer amount, this will be displayed on myGov. From here, you can click 'Make an election' to voluntarily reduce your transfer balance excess.

Australian Government Australian Taxation Office Return to myGov

Tax Super My details

Transfer balance cap

A transfer balance account is used to monitor the super savings transferred into a retirement phase super income stream account. Use this information to help plan for retirement by monitoring the [transfer balance cap](#) and available cap space.

i There is excess transfer balance and money needs to be commuted out of the account based super income stream accounts. The sooner you act the less tax will be applied. Refer to the [determination notice](#) we sent for details of what needs to be done.

Available cap space
\$0.00

Description	Amount
Transfer balance cap	\$1,600,000 ▼
Transfer balance	\$1,800,000 ▼

Excess transfer balance amount
\$200,000 Make an election

Q: What will myGov display if your excess transfer balance tax liability has been calculated?

Excess transfer balance tax calculated by the ATO will be displayed in myGov. Click the 'Pay' button to pay your tax liability.

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Available cap space
\$0

Description	Amount
Transfer balance cap	\$1,600,000 ▼
Your Transfer Balance	\$1,710,000 ▼

You have an excess transfer balance tax liability
\$1,610.45 Pay

We recently sent you an excess transfer balance [tax notice of assessment](#).

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For more information

The transfer balance account rules are complex. This guide is not designed to provide comprehensive information about how the transfer balance cap rules work or apply to you. When providing you with financial advice, your financial adviser may ask you details about your transfer balance account as it appears on myGov. This guide is designed to help you find this information easily.

It is important that you speak with your financial adviser, or visit the ATO website for more information.

Important information and disclaimer

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