

Important note: the information in this document forms part of the Product Information Booklets for GESB Super and West State Super, each dated 1 October 2018. You should read the important information in this document as part of the relevant Product Information Booklet before making a decision.

There are certain conditions that you must meet before you can access your super. These rules have been put in place to ensure that your super is only used to support you in your retirement, and 'preserve' your super until you reach your Commonwealth preservation age (or until certain other conditions are met). For most members, you will be able to access your super once you reach age 65, or once you have reached your preservation age and permanently retire. Your preservation age depends on your date of birth. The following Commonwealth government preservation ages apply.

Your date of birth	Commonwealth preservation age
Before 1 July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
After 30 June 1964	60

Ways to access your super

Once you have decided when to retire, you also need to choose how you want to take your super money. You can:

- Leave your money in super and make lump-sum withdrawals from time to time
- Open a pension account to have a regular income stream paid to you
- Take all of your benefit as a cash lump sum and close your account

For more information, please visit gesb.wa.gov.au/howtoaccess.

Other important things to know

How your benefit is taxed

Once your super benefit becomes payable, the tax treatment will depend on:

- How your benefit is paid to you
- Your age
- The components of your benefit¹

i For more information, see our 'Tax and super' brochure at gesb.wa.gov.au/brochures.

Restrictions apply on withdrawals and transfers

Partial withdrawals or transfers must be for \$1,000 or more. If you request a withdrawal or transfer from your account, you must maintain a minimum balance of \$1,000 in your account, unless the request is for the whole of your account balance.

When you can access your super

Your total super benefit is the balance of your super account (which may include an insurance benefit in certain circumstances), less any applicable tax. You are able to access your full super benefit once you turn 65, regardless of your working status. Your super benefit may also be paid out under the following circumstances:

1. **On retirement** - if you retire on or after you've reached your preservation age and do not intend to be gainfully employed on a part-time or full-time basis (see page 2 for definitions)
2. **On resignation** - if you are aged 60 or over and you resign from your current employment
3. **If you pass away** - in which case the benefit is paid to your estate
4. **If you become totally and permanently disabled**
5. **If you become partially and permanently disabled** (West State Super members only)
6. **On severe financial hardship or compassionate grounds** - if you receive approval to do so
7. **If your super benefit is less than \$200** - and you no longer work for the employer who contributed to the fund for you
8. **If you would like to transition to retirement** - once you have reached preservation age, but have not yet permanently retired, you are able to access a regular income stream from your super
9. **If you meet the eligibility requirements for the First Home Super Saver scheme** - you can withdraw voluntary contributions made after 1 July 2017 to super (GESB Super members only)
10. **If you are a temporary resident permanently departing Australia**
11. **If you have permanently emigrated to New Zealand**
12. **If you have a terminal illness**

¹ The tax status of the scheme will impact whether the taxable component contains an untaxed or taxed element. The tax treatment differs for the untaxed and taxed element.

1. On retirement

If you retire once you have reached your preservation age and do not intend to be gainfully employed on a part-time or full-time basis (see definition below), you can do one or more of the following:

- Leave your benefit in your super account and make partial withdrawals (of at least \$1,000) as and when you need to
- Transfer your benefit to our RI Allocated Pension and receive a regular income stream²
- Take your entire benefit as a cash lump sum
- Roll over your benefit to a complying super fund, annuity or pension

Definition of gainfully employed

Gainfully employed means being employed or self-employed for gain or reward in any business, trade, profession, vocation, calling, occupation or employment, but does not include passive receipt of income.

- If you work at least 10 hours and less than 30 hours each week, you are defined as gainfully employed in part-time employment
- If you work 30 hours or more each week, you are defined as gainfully employed in full-time employment

2. On resignation

If you are aged 60 or over and resign from your current employment, and you inform us with our '**Notification of retirement or resignation**' form available from gesb.wa.gov.au/forms, before you commence new employment, you will be able to access your super in the same way as if you were retired – see previous section, 'On retirement'.

3. If you pass away

If you pass away, a Death benefit will be paid to your estate. This Death benefit is calculated as the sum of:

- The balance in your super account
- Any insured benefit (if applicable)
- An anti-detriment payment (for GESB Super members, where applicable)³

Payment of a Death benefit is made once we have received all the relevant documentation, including formal notification of death⁴ and a Grant of Probate or Letters of Administration. Our members cannot nominate a Death benefit beneficiary, so it is important that you have an up-to-date valid will so

that the executor or administrator of your estate distributes your estate assets in line with your wishes.

If we cannot identify the administrator or executor of your estate or we consider it desirable to do so in order to relieve or avoid hardship, we may pay up to \$25,000 of the benefit to your dependants or if we cannot identify any dependants, to any other persons we determine.

To apply for a death benefit on financial hardship grounds, please call our Member Services Centre on 13 43 72 and ask for our '**Application for payment of interim death benefits on financial hardship grounds**' form. We will assess your eligibility once we have received your completed form.

Generally, if the death benefit is paid to a dependant, the benefit is tax free. They must be a dependant on the date of your death. A 'Death benefits dependant' is defined in tax legislation and includes:

- Your spouse (including a defacto partner, or former spouse)
- A child aged under 18 (including an adopted child, a step child, or ex-nuptial child)
- Any person who is financially dependent on you, and
- Any person with whom you have an interdependency relationship


Two persons (whether or not related by family) have an interdependency relationship if they meet all of these criteria:

- They have a close personal relationship
- They live together
- One or each of them provides the other with financial support
- One or each of them provides the other with domestic support and personal care

An interdependency relationship also includes two persons (whether or not related by family):

- Who have a close personal relationship, and
- Who do not meet the other criteria listed in the paragraph above because either or both of them have a physical, intellectual or psychiatric disability

Once we have received formal notification of death⁴, the existing account balance will be switched to the 'Cash' investment plan. This provides greater certainty of the benefit amount payable. Once probate or administration is granted, the executor or administrator of your estate may choose the investment plan in which the account balance is to be invested, pending payment to your estate.

 You can find more information about how your insurance benefits payable could be claimed in the event of your death in our '**Insurance and your super**' brochure at gesb.wa.gov.au/brochures.

² A transfer balance cap of \$1.6 million for the 2018/19 financial year applies on the total amount of accumulated super that you can transfer into tax-free retirement account(s). Note that for future financial years, the cap will be indexed to the consumer price index, and rounded down to the nearest \$100,000. For more information, visit the ATO website at www.ato.gov.au/individuals/super.

³ An anti-detriment payment is an additional amount included in a lump-sum death benefit paid to an eligible dependant. The anti-detriment payment is designed to refund the contributions tax paid by the deceased member over the period between 30 June 1988 and death. Due to Federal Government changes, this payment is no longer available. However where the member died before 1 July 2017 and the lump sum is paid to an eligible dependant before 1 July 2019, the anti-detriment payment is still payable.

⁴ Certified copy of Death Certificate, Coroner's report, autopsy report, inquest finding, or a medical certificate completed by a registered medical practitioner.

Tax treatment of death benefits

Generally, as explained above, death benefit lump-sum payments are tax-free provided the benefit is paid to a death benefit dependant.

If the death benefit is paid to a non-dependant, the taxable component will be taxed at:

- 17%⁵ on the taxed element
- 32%⁵ on the untaxed element

i For more information see our '**Tax and super**' brochure at gesb.wa.gov.au/brochures.

4. If you become totally and permanently disabled

A Total and Permanent Disability benefit is payable if:

- You are no longer gainfully employed due to ill health
- We are satisfied that you are unlikely to ever engage in gainful employment again, for which you are reasonably qualified by education, training or experience

If we receive an insurance benefit as a result of your total and permanent disablement, this amount will be paid into your super account and will be included in your Total and Permanent Disability benefit. Payment of any insured benefit will be subject to the terms of the insurance policy.

If you suffer total and permanent disablement, you can access your Total and Permanent Disablement benefit as a lump sum or you can roll the benefit over to our RI Allocated Pension, or to another complying pension or annuity.

At a minimum, if we have approved the payment of a disability benefit, you are entitled to the balance in your account, less any tax and fees that may be payable.

i For more information about your insurance cover, see our '**Insurance and your super**' brochure at gesb.wa.gov.au/brochures.

5. If you become partially and permanently disabled (West State Super members only)

If you are a West State Super member, you may be eligible for a Partial and Permanent Disablement (PPD) benefit.

i For more information, read our '**Insurance and your super**' brochure at gesb.wa.gov.au/brochures.

6. On severe financial hardship or compassionate grounds

You can apply for your super to be released early on specific compassionate grounds or on grounds of severe financial hardship.

If you have been receiving eligible Centrelink income support payments continuously for at least 26 weeks, you may be able to apply for the early release of your super benefits on the grounds of severe financial hardship. Additional eligibility criteria apply and we may require proof of your income and living expenses or employment status at the time of the application.

There are very limited circumstances where super benefits may be released on specified compassionate grounds. These are defined in the *Superannuation Industry (Supervision) Regulations 1994*.

You can make a claim on one or more of the specified compassionate grounds:

- To make a payment on a loan to avoid foreclosure on your home
- To pay for modifications to your home and/or motor vehicle to meet any special needs if you or your dependant become severely disabled
- To pay for medical treatment or medical transport if you or your dependant are suffering from a life-threatening condition
- To pay for palliative care, including home care for you or your dependant
- To pay for funeral and other expenses associated with the death of a dependant

To determine whether we are able to release money, we will need to receive certified copies of documents supporting the application and proof of identity of the member. Benefits released early may be subject to tax.

7. If your benefit is less than \$200

If your super benefit is less than \$200 at the time you stopped working for the employer who was contributing to your account on your behalf, you are eligible to receive the balance of your account.

You can download the relevant '**Benefit access**' form at gesb.wa.gov.au/forms, or call your Member Services Centre on 13 43 72 to get one sent to you.

8. If you would like to transition to retirement

Transition to retirement is a super strategy that allows you to access your super as an income stream while you're still working. You might choose to reduce your work hours because the income you receive from your super benefits could help to make up for any loss of salary.

To be eligible for transition to retirement from your West State Super or GESB Super account, you need to have reached preservation age (see the table on page 1).

A transition to retirement income stream is subject to minimum and maximum withdrawal amounts each year.

Your super benefit must be used to start a regular pension, such as our Transition to Retirement Pension. This type of pension is known as a non-commutable income stream because it doesn't allow lump-sum cash withdrawals while you're working.

There are a number of ways you can use transition to retirement to benefit you:

- **Increase your super** - you'll continue to work and can sacrifice some of your salary to super
- **Reduce your hours** - you can work less without reducing your overall income, as your pension can make up for your lower salary
- **Increase your income** - you'll be receiving an income stream from a pension as well as your normal salary

You can use a combination of these options to suit your needs and you can change your strategy as your circumstances change.

i See the relevant '**Transition to retirement**' fact sheet at gesb.wa.gov.au/factsheets for more information.

⁵ Includes 2% Medicare Levy.

9. If you meet the eligibility requirements for the First Home Super Saver scheme

The First Home Super Saver (FHSS) scheme is a Commonwealth Government initiative announced in the 2017/18 Federal Budget, to help Australians aged 18 years or older save for their first home.

From 1 July 2018, if you meet eligibility requirements, you can apply to the ATO to withdraw voluntary contributions made to your GESB Super account after 1 July 2017 (and the associated earnings on those contributions) to use towards the purchase or construction of your first home⁶. As West State Super and Gold State Super are constitutionally protected funds, contributions made to these schemes are not eligible for the FHSS scheme.

10. If you are a temporary resident permanently departing Australia

If you entered Australia on an eligible temporary work visa that has expired or been cancelled and you are leaving permanently, you could access your super benefits. This payment is known as a 'departing Australia super payment' (DASP) and is not available to Australian or New Zealand citizens, or permanent residents of Australia.

If you're eligible, you'll need to apply for a DASP. For more information, visit the Australian Taxation Office (ATO) website at ato.gov.au and go to the 'Super for temporary residents leaving Australia' page.

11. If you have permanently emigrated to New Zealand

If you're an Australian or New Zealand citizen who has emigrated permanently to New Zealand with the intention of staying indefinitely or permanently, you can apply to transfer the balance of your GESB Super benefit to a KiwiSaver account that will accept the payment.

From New Zealand, you can contact your Member Services Centre on +61 8 9211 6680 to find out more.

If you're a West State Super member, you'll need to transfer the balance of your West State Super benefit to a taxed fund, such as GESB Super, before you can transfer your benefit to an eligible KiwiSaver account.

12. If you have a terminal illness

If you are diagnosed with a terminal illness, you can apply for your benefit to be released. To be eligible, two registered medical practitioners must certify that the illness or injury is likely to result in your death within a 24-month period from the date of certification. At least one of the medical practitioners must be a specialist practicing in an area related to the illness or injury.

You don't necessarily need to stop working to be eligible for a payment on terminal illness grounds.

If you are eligible, you will have unrestricted access to your benefit and any lump-sum payments will be tax-free.

Payment of any insured benefit will be subject to the terms of the insurance policy.

How to apply for your super benefit

In most cases, when you reach retirement, your employer will advise us that you have stopped working. Before we can pay any benefit or transfer it to another fund, you'll need to complete the relevant '**Benefit access**' form at gesb.wa.gov.au/forms, or call your Member Services Centre on 13 43 72 to get one sent to you.

First Home Super Saver (FHSS) scheme withdrawals

The FHSS scheme is administered by the ATO, who will assess your eligibility and advise you on the amount that can be released. You can apply online using your myGov account.

To apply, you'll need to request a FHSS determination from the ATO, which will set out the maximum amount you can withdraw.

Once you have an FHSS determination, you can ask the ATO to issue an FHSS release authority for GESB Super. After we receive your FHSS release authority, we will pay the requested amount to the ATO, who will then pay it to you. You can only request a release from the ATO once. The ATO must release the amount to you before you sign a contract to purchase or construct your home, or you may be liable to pay additional tax.

If you are diagnosed as totally and permanently disabled


If you are permanently disabled, you can apply to us directly for a Total and Permanent Disablement benefit, which may include an insured component of your super entitlements. It must be supported by relevant medical reports addressing specific requirements.

As we make the final decision on the payment of a benefit (and the insurer will determine if you are entitled to any insured component of that benefit), you should not assume that you will automatically qualify for a disability benefit. For this reason, you should not stop working based on the assumption that you will be entitled to a disability benefit from us.

You should apply as soon as you have consulted your doctor and been diagnosed as totally and permanently disabled. If you are a West State Super member, your entitlement to an insured benefit may be affected if you do not apply within 12 months of your employment ending. However, we can accept applications outside this period, at our discretion.

If you stop working before you reach your preservation age

You can't access your super until you reach your preservation age or meet another condition of release. If you stop working before you reach your preservation age, your benefit will remain preserved in your super account and will continue to be invested in your chosen investment plan. If you start working again within the WA public sector, you can ask your employer to make contributions to your existing account. Alternatively, you may choose to roll over your funds to another complying super fund at any time.

 To find out about the impact that ceasing work may have on your insurance cover, see our '**Insurance and your super**' brochure at gesb.wa.gov.au/brochures.

⁶ If you lost ownership of your first home due to financial hardship, you may be able to apply to the ATO to use the FHSS scheme to help you purchase or construct a home which is not your first home. See the ATO website at ato.gov.au for details.

If you get divorced

We are obliged to provide specified membership information to your current or former spouse, or any person who is intending to enter into a super agreement with you, at their request.

Changes to the *Family Law Act 1975* ('Family Law Act') that came into effect on 28 December 2002 mean that super can be treated as property and be divided between parties in the event of a marriage breakdown. In March 2009, the Commonwealth amended the Family Law Act to extend superannuation splitting to defacto couples.

In WA, defacto couples who are resident in Western Australia cannot currently apply to the Family Court for a splitting order in relation to superannuation.

In WA, legislation allowing for 'Clean Break' does not apply to defacto couples.

If a marriage breakdown occurs, the splitting of your super can be authorised by either:

- A formal agreement between you and your spouse - called a 'Superannuation Agreement' or 'Binding Financial Agreement'
- A Court Order issued by the Family Court directing us to split your super

If this occurs, we will split your super entitlement in accordance with the Agreement or Order.

 For more information read the '**Your super and Family Law**' fact sheet specific to your scheme(s) at gesb.wa.gov.au/factsheets.

Note: we may be obliged by the provision of the Family Law Act to provide specific membership information to your current or former spouse, or any person who is intending to enter into a super agreement with you, at their request. The provision of information is currently of no cost to you.

Your Member Services Centre will be able to confirm any applicable fees in relation to processing the split of your super entitlement at the time of your query.

Disclaimer: the information contained in this brochure is of a general nature, and does not constitute legal, taxation or personal financial advice. In providing this information, we have not taken into account your investment objectives, financial situation or needs. We are not licensed to provide financial product advice. Before acting or relying on any of the information in this document, you should read this brochure in conjunction with the relevant Product Information Booklet and disclosure documents at gesb.wa.gov.au/brochures, and consider whether the information is appropriate for you. You may also wish to consult a suitably qualified adviser to assist you.

 **How to contact us**

T Member Services Centre 13 43 72
PO Box J 755, Perth WA 6842

F 1800 300 067

W gesb.wa.gov.au