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If you choose to leave the WA public sector before retirement, you can still take advantage of the valuable contributory benefits offered by Gold State Super. This fact sheet contains important information which you should consider.

For members of the Gold State Super scheme, your entitlement and benefit options depend on whether you have reached age 55 and/or the Commonwealth preservation age¹. See the table below for a summary of how your age affects your options.

Benefit entitlement if you resign

If you are a Gold State Super member and you decide to resign, then you keep the total benefit built up on your behalf including:

- **Contributory Service Benefit** – your Gold State Super benefit including your personal and employer contributions, and if applicable
- **Transferred Contributions and Interest** – your contributions and interest previously transferred from the WA Public Sector Pension Scheme
- **Transferred Service Benefit** – the additional service benefit based on past full-time employment given to you when you transferred from the WA Public Sector Pension Scheme to Gold State Super

However, when you leave employment within the WA public sector, some of these components are treated differently.

If you are over 55 years of age when you resign, then you have satisfied your condition of release, which means you will have access to your benefit in full. At that point you can open a GESB Retirement Income Allocated Pension, access the full sum or roll over the whole benefit to another complying super fund. See the 'Retirement Income Allocated Pension Product Information Booklet' at gesb.wa.gov.au/brochures for more information about our allocated pension.

The calculation of tax on super is dependent on your age and the Commonwealth preservation age¹. If you are considering accessing your benefit before your Commonwealth preservation age, please contact your Member Services Centre and read our '**Tax and super**' brochure available at gesb.wa.gov.au/brochures to find out how this will affect you.

Age/event	Entitlement	What happens to my insurance?	When is tax paid?
Under 55 years of age			
If you resign	Preserve your benefit in Gold State Super ²		Tax is not payable on your benefit until you take it out or roll it over to another taxed super fund or retirement income stream.
55 years of age or over			
If you resign	<p>This is regarded as normal retirement and you will have access to your benefit in full. You are unable to access partial benefits.</p> <p>You can also open our RI Allocated Pension, access the full sum or roll over the whole benefit to another complying super fund.</p> <p>By accessing your benefit your account will be closed and cannot be reopened.</p>	<p>Your insurance cover for Death and Total & Permanent Disablement (TPD) will cease.</p> <p>If you want to replace this, you will need to make your own arrangements for insurance cover.</p>	<p>Please note that the tax treatment of your cash benefit is impacted by your age, in particular your Commonwealth preservation age which is different to the age at which you can access your benefit.</p> <p>See the 'Tax and super' brochure at gesb.wa.gov.au/brochures.</p>

¹ Your Commonwealth preservation age is dependent on your date of birth. For more information on your Commonwealth preservation age, read the 'Accessing your super' brochure available at gesb.wa.gov.au/brochures.

² Important: if you are under 55 and transferred from the WA Public Sector Pension Scheme, you can elect to receive the Transferred Contributions and Interest component of your benefit when you resign. There may be tax implications if you elect to receive the Transferred Contributions and Interest component of your benefit as cash. All other funds must be preserved in Gold State Super until you reach 55 years of age.

Preserving your benefit in Gold State Super

Your Contributory Service Benefit and Transferred Service Benefit (if applicable) will be preserved in Gold State Super. For more information on accessing your Gold State Super benefit, see the 'Gold State Super essentials' brochure at gesb.wa.gov.au/brochures. These funds will be indexed annually at a salary growth factor equivalent to the Perth Consumer Price Index (Perth CPI)³ plus 1% p.a. until you turn 55, and then will accrue interest at Perth CPI plus 2% p.a. after you turn 55.

Any Transferred Contributions and Interest can be refunded to you if you are under 55 years of age, or preserved in the fund. If you decide to preserve this portion of your benefit, it will accrue interest at Perth CPI plus 2% p.a. Once you reach 55, the option to receive payment of only the Transferred Contributions and Interest is no longer available – the total account balance must be paid.

There are other circumstances where you may be able to access your benefit if you are under age 55. If eligible, a discount factor will apply. In this case, the Contributory Service Component of your benefit is subject to a discount factor of 1.75% p.a. for every year you are under age 55. For more information call your Member Services Centre on 13 43 72.

Can I transfer my benefit to another super fund when I resign?

You can only transfer the Transferred Contributions and Interest component of your benefit when you resign.

All other funds must be preserved in Gold State Super until you reach 55 years of age.

Calculating your benefit

Gold State Super is a defined benefit scheme, which means your retirement benefit is calculated using:

- Your Completed Months of Equivalent Full-Time Contributory Service
- Your Average Contribution Rate
- Your Final Remuneration

If you resign before you reach 55 years of age, your benefit will be calculated as at your resignation date and preserved until you reach age 55.

Please note: if, after age 55, you have been re-employed in the WA public sector, then your benefit must remain preserved.

Example

The following is an example of how Mike's resignation benefit was calculated when he resigned at the age of 50.

Assumptions about Mike

- Age Mike joined Gold State Super: 24 years
- Length of full-time employment: 26 years
- Age at resignation from WA public sector: 50 years
- Average Contribution Rate: 5% (maximum)
- Final Remuneration at resignation: \$100,000
- Completed Months of Service: 312 months (26 years x 12 months)

Completed Months of Service	x	20%	x	Average Contribution Rate	x	Final Remuneration
12				5		
312				5		
12	x	20%	x	5	x	\$100,000
= 26 x 20% x 1 x \$100,000						
= \$520,000						
On the day Mike resigned, his benefit was calculated to be \$520,000.						

More information

- We regularly conduct seminars and webinars that deal with taxation, investment options, retirement and much more. To attend a seminar, simply register online at gesb.wa.gov.au/seminars or register for a webinar at gesb.wa.gov.au/webinars
- Call your Member Services Centre on 13 43 72
- See the 'Gold State Super essentials' brochure, available at gesb.wa.gov.au/brochures

³ Perth CPI calculated in accordance with the *State Superannuation Regulations 2001 (WA)*.

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