

Generally, you can only access your super when you permanently retire. However, there are circumstances in which you may be allowed to access your super early, such as due to severe **financial hardship** or on **compassionate grounds**.

ACCESSING YOUR SUPER ON FINANCIAL HARDSHIP GROUNDS

To be eligible for the release of your superannuation benefit on the grounds of financial hardship, you'll need to meet the conditions of either Scenario 1 or Scenario 2 below.

If you don't meet the conditions under either Scenario, we won't be able to authorise the release of your benefit on these grounds.

SCENARIO 1: IF YOU ARE UNDER 55 YEARS OF AGE

You can apply for a financial hardship benefit under Scenario 1 if:

- > you are receiving an eligible Commonwealth income support payment* from either Centrelink or the Department of Veterans' Affairs (DVA) (depending on which body makes your income support payments) at the time of the request, and you have been receiving this payment for the past continuous 26 weeks; and
- > you are unable to meet reasonable and immediate family living expenses.

What ARE "reasonable and immediate family living expenses"?

Expenses that may qualify as "reasonable and immediate family living expenses" include:

- > household expenses
- > rent and rental bond
- > child support and child care
- > debts
- > car repair bills
- > health costs
- > veterinary bills and school fees.

Mortgage arrears up to three months outstanding may be considered. You must provide a statement from your lending institution that supports your claim.

Only overdue balances on loans or outstanding minimum amounts payable on credit cards will be considered.

First Super is unable to pay out the full balance owing on loans or credit cards.

What IS NOT a reasonable and immediate family living expense?

Business expenses and fines (traffic, parking fees, etc.) do not satisfy the test of reasonable and immediate family living expenses.

Legal fees are not considered immediate family expenses and are not acceptable as a valid debt.

What evidence of income and expenses do I need to provide?

If you are applying under Scenario 1, we must have evidence of your income and your spouse's or partner's income. This evidence may include:

- > Centrelink / DVA benefit income statements
- > pay slips
- > bank statements
- > evidence of income from rent, shares and other investments.

We also need evidence of debts and bills to support your application. For example, this evidence may include:

- > overdue power and water notices
- > overdue telephone bills
- > rental arrears notice
- > overdue credit card notice
- > overdue loan repayments
- > a statutory declaration from a person/people to whom you owe a personal debt that is payable immediately.

* A Commonwealth Government income support payment is an income support supplement, service pension, social security benefit or social security pension.

What other supporting documents do I need to provide?

- > A letter from Centrelink / DVA stating that you are currently in receipt of an eligible Commonwealth income support payment, and have been for a continuous period of at least 26 weeks.
- > A statutory declaration stating, among other things, that you are unable to meet reasonable and immediate family expenses from your income (i.e. the combined outgoings of you and your family are more than your combined income).
- > Certified copies of 2 proof of identity documents.
- > A completed **First Super Application for Benefit: Financial Hardship** form. You can get this form by calling our Member Services team on 1300 360 988. This form also has further information about the application process.

How much of my super benefit can be released?

If you meet the specified criteria, you may be entitled to one single lump sum payment in any 12-month period. The minimum payment is \$1,000 (unless your balance is less than this amount) and the maximum payment is \$10,000 (before tax).

What is a “statutory declaration”?

A statutory declaration is a written statement, which you sign and declare to be true before an authorised witness.

Statutory declarations are commonly used for legal purposes to verify names, addresses, insurance claims, superannuation matters and lost passports, and as evidence to support sick leave.

A blank statutory declaration has been included within the *First Super Application for Benefit: Financial Hardship* form to help you with this part of the process.

SCENARIO 2: IF YOU ARE AGED 55 YEARS OR ABOVE

You can apply for a financial hardship benefit under Scenario 2 if you:

- > have reached your preservation age plus 39 weeks; and
- > are not gainfully employed (part-time or full-time) at the date of this application; and
- > have been receiving a Commonwealth income support payment for a cumulative period of 39 weeks since reaching preservation age.

Date of birth	Preservation age
Before 1 July 1960	55 and 39 weeks
1 July 1960 to 30 June 1961	56 and 39 weeks
1 July 1961 to 30 June 1962	57 and 39 weeks
1 July 1962 to 30 June 1963	58 and 39 weeks
1 July 1963 to 30 June 1964	59 and 39 weeks
From 1 July 1964	60 and 39 weeks

What documents do I need to provide to apply for benefits on grounds of financial hardship?

1. A letter from Centrelink / DVA stating you have been receiving Commonwealth income support payments for a total period of 39 weeks since reaching your preservation age.
2. A Statutory Declaration stating, among other things, that you have reached preservation age plus 39 weeks, are not gainfully employed on the date of this application, and have been receiving a Commonwealth income support payment for a total period of 39 weeks since reaching preservation age.
3. Certified copies of 2 proof of identity documents.
4. A completed **First Super Application for Benefit: Financial Hardship** form.

How much of my super benefit can be released?

If you meet the Scenario 2 criteria, your total super account can be paid to you and there are no cashing restrictions.

What should I do with my completed paperwork?

Your completed application form, your original Centrelink letter (dated within the last 21 days) and supporting documentary evidence should be sent to:

First Super, PO Box 666, Carlton South, VIC 3053

When we receive your paperwork, we will assess your eligibility for payment. If your application is approved, the payment will be made in your name and forwarded in accordance with your payment instructions.

ACCESSING YOUR SUPER ON COMPASSIONATE GROUNDS

To access your super on compassionate grounds, you'll need to meet the conditions specified by the Australian Taxation Office (ATO). The ATO is the Government body responsible for assessing applications for the release of superannuation in these cases.

The main condition is that you do not have enough money ("financial capacity") to pay the costs resulting from the reason on which your application is based. For example, you may be faced with extra medical bills for either yourself or a dependant, and be unable to pay them.

Your application **must** include a statutory declaration stating that you are unable to meet the expenses. The circumstances under which your super will be released on compassionate grounds are outlined below.

Please note, we will only make approved payments to an account in your name with an Australian financial institution. No cheques will be issued.

1. FOR MEDICAL AND/OR DENTAL TREATMENT OR TRANSPORT

To be able to use your super to help pay for medical or dental treatment, or transport to and from these treatments for you or your dependant, the condition must be:

- > a life-threatening illness or injury; or
- > an acute or chronic physical pain; or
- > an acute or chronic mental condition.

The treatment must not be readily available through the public health system, and the cost of treatment must not be completely covered by your (or your dependant's) private health insurance and/or workers compensation.

2. FOR ASSISTANCE WITH MORTGAGE REPAYMENTS

You may be granted access to your super to prevent your home from being sold by the lender holding the home's mortgage. Typically, you will not be granted access to pay rent or to make a payment on a mortgage that:

- > you expect to have difficulty paying in the future but is not yet in arrears
- > is in arrears, but not to the extent that the lender has decided to sell
- > belongs to a dependant, other family member or friend
- > is for a second or investment property.

3. FOR CARE FOR A TERMINAL MEDICAL CONDITION

You may be granted access to your super to provide palliative care for yourself or your dependant if you/they have a terminal medical condition.

4. FOR MODIFICATIONS TO YOUR HOME AND / OR MOTOR VEHICLE

You may be granted access to your super to pay for modifications needed to accommodate the special needs of a person with a severe disability (you or one of your dependants).

5. FOR EXPENSES RELATING TO THE DEATH OF A DEPENDANT

You may be granted access to your super to help with funeral, burial, cremation and other costs related to the death of a dependant. However, the deceased person must have been your dependant, not just a family member. For example, expenses associated with the death of a parent, grandparent or sibling will be approved **only** if that family member relied on you financially, domestically or personally.

Maximum amounts apply

Maximum release amounts apply to each circumstance. You can find more details on the 'Early access to your super' section of the ATO website: www.ato.gov.au.

Tax payable on the amount released

The amount of tax payable depends on your age, whether you have provided your tax file number, and the components of your benefit. Your benefit payment will generally consist of a tax-free and a taxable component. The components of the amount paid will be in proportion to the amount of tax-free and taxable portions of your total benefit.

HOW TO APPLY

Step 1 – Apply to ATO via your myGov account

If you think that one or more of the specified compassionate grounds applies to you, please log into your myGov account at www.my.gov.au and select the 'Australian Taxation Office' link. If you haven't linked the ATO to your myGov services, you must do this before you can continue the process.

Once you have been redirected to the ATO homepage, complete the relevant ATO *Compassionate Release of Superannuation* online application.

The ATO will assess your application as soon as possible after they have received all the required information from you.

Once your application has been assessed, the ATO will write to you via your myGov inbox with its decision and reasons for that decision.

If the ATO approves the early release of your super, you must then apply to First Super for payments (see Step 2).

If you have any questions about Step 1, please contact the ATO directly.

Website: www.ato.gov.au

Phone: 13 28 61 (+61 3 6216 1111 outside Australia)
Monday to Friday 8:00am to 5:00pm (AEST).

Post: Australian Taxation Office (ATO)
Compassionate release of superannuation
PO Box 3006
Penrith NSW 2740

What happens if I don't have a myGov account?

The only way to apply to the ATO for early access to your super on compassionate grounds is online through a myGov account.

If you don't have a myGov account, you will need to create one before you can make an application. Visit www.mygov.gov.au to register and complete the process.

Otherwise, if you don't have access to a computer / the internet, or you need help to set up a myGov account, please visit your local Centrelink office.

Step 2 – Apply to First Super

If the ATO approves the early release of your benefit, please send the following documents to First Super:

- > ATO letter of approval of the early release of your benefit (original or certified copy); and
- > a letter advising the banking or payee details; and
- > certified copies of 2 proof of identity documents.

As long as all the documents are in order and payment is approved, we will pay it in accordance with the instructions on the application form or as directed by the ATO.

Important information about certifying your documents

All copied pages of **ORIGINAL** documents need to be certified as true copies by any individual approved to do so (see below).

The person who is authorised to certify documents must see the original and the copy, check both documents are identical, and then make sure all pages have been certified as true copies by including the following details on the copy:

- > writing or stamping 'This is a true copy of the original';
- > their qualification (e.g police officer, nurse, etc);
- > their name and address; and
- > their signature and the date the copy was signed.

The following individuals can certify copies of the originals as true and correct copies:

- > a police officer
- > a medical practitioner or nurse
- > a pharmacist
- > a veterinary surgeon
- > a dentist
- > an optometrist
- > a psychologist
- > a judge of a court
- > a magistrate
- > a Chief Executive Officer of a Commonwealth Court
- > a bailiff
- > a sheriff or sheriff's officer
- > a Justice of the Peace
- > a notary public officer
- > a registrar or deputy registrar of a court
- > a person enrolled on the roll of a State or Territory Supreme Court or the High Court of Australia, as a legal practitioner
- > an Australian consular officer or an Australian diplomatic officer
- > a physiotherapist
- > a teacher employed on a full-time basis at a school or tertiary education institution
- > a finance company officer with two or more years of continuous service (with one or more finance companies)
- > an officer with, or authorised representative of, a holder of an Australian Financial Services Licence (AFSL), and having two or more years of continuous service with one or more licensees.

WANT TO KNOW MORE? WE'RE HERE TO HELP.

Please contact our Member Services Team today.

Call **1300 360 988**
Email **mail@firstsuper.com.au**
Website **firstsuper.com.au**

PUTTING MEMBERS FIRST



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Important information:

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