



Early access to superannuation benefits

Who should read this?

PSS members who wish to claim their PSS benefit early on severe financial hardship and members who have been granted access on specified grounds under a determination made by the Australian Prudential Regulation Authority (APRA).

Please note: preserved benefit members who access their benefits under these provisions forfeit their pension entitlement.

What is in this fact sheet?

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What you should know up front

It is important that you read the disclaimer at the end of this fact sheet. Before making any decisions, please read the

PSS product disclosure statement and consider seeking advice from a licensed professional such as a financial planner, accountant or solicitor.

How can I get early access to my PSS benefit?

You can qualify for early access to your super on two grounds.

Financial hardship - under age 55

To qualify for a release on the grounds of severe financial hardship, you must have been continuously receiving Commonwealth income support payments for 26 weeks at the date you lodge your application and supporting documents.

You will need to supply us with your Centrelink customer reference number (CRN) which we will use to confirm your eligibility with Centrelink. If you are receiving a benefit from the Department of Veterans' Affairs, you will need to supply a letter from them confirming your payments.

Generally we only release money for reasonable family expenses that are due and payable immediately. You will need to supply documentary evidence to support your application.

We will assess your application against the relevant guidelines and determine how much of your super will be released. The amount released cannot exceed \$10,000 gross and only one payment can be approved in any 12 month period.

Financial hardship – over age 55

You can still gain early access to your benefit on severe financial hardship grounds if you meet the criteria shown above. If you prefer not to give us details about your financial situation, you may gain early access if you meet the following criteria:

- > you have reached your preservation age and
- > you are not in either full-time or part-time employment and
- > you have been receiving Commonwealth income support benefits for periods totalling 39 weeks or more at the date you lodge your application.

Alternatively, you may wish to consider claiming your full benefit on age retirement grounds. You can find more information at www.pss.gov.au.

Specified grounds

If you don't qualify for early access to your super benefits on severe financial hardship grounds, you may consider asking APRA to approve the release of benefits on specified grounds.

You may be able to claim:

- > medical expenses
- > renovations to your home necessitated by severe disability
- > mortgage payments – to prevent the loss of your home.

All enquiries regarding applications for early release on these grounds should be directed to APRA on **1300 131 060**. An application form is also available from their website at www.apra.gov.au.

If you have already received an APRA approval for the release of your benefit on specified grounds, please complete our **Early access to superannuation benefits** application form. You do not need to complete **Section B**, which deals with the release of benefits on financial hardship grounds.

You will need to supply a copy of your APRA approval letter with your application.

Which Commonwealth income support payments are accepted?

Commonwealth income support payments include:

- > income support supplements
- > service pensions
- > social security benefits
- > social security pensions.

Family allowance, Austudy payments or Youth allowance payments in relation to full-time study are not eligible.

To make sure you have been receiving a benefit for the appropriate period, please complete the authority in **Section B** of the application form so we can confirm your details with Centrelink.

If you are receiving a benefit from the Department of Veterans' Affairs, you must include a statement from them with your application. This statement is only valid for 21 days from the date on the statement and must refer to you and not to other members of your family.

What evidence will I need to supply?

Some claims require specific documentary evidence, for example:

Motor vehicle expenses (registration, insurance, repairs and/or purchase) – in order to approve these claims you must supply a statutory declaration stating why your motor vehicle is considered an essential living expense. For example, you live in a remote area with no public transport, or you rely on the vehicle due to a medical condition. You must also supply a current quote for repairs, or for the cost of a new vehicle.

Establishing a household – If you are in financial hardship because you need to set up a new household, in order for your claim to be considered you must supply:

- > a letter from a real estate agent or landlord detailing the bond and rent payable
- > a list of **essential** household items needed and their approximate cost. Items such as TV's, music systems and computers and internet access are not considered essential.

Personal loans from family or friends will not be considered as evidence of immediate expenses associated with everyday living.

Money will be released for some items on only one occasion. What are these items?

- > Clearing a credit card or general interest loan debt (only minimum payments due will be considered for future claims)
- > private school fees.

What components of my benefit can be released?

If you are a contributing member, you can access any of your taxed components – this includes your member component, taxed productivity, fund earnings on your benefit and any taxed transfer values.

If you are a preserved benefit member, you can access any portion of your benefit. The taxed components will be released first, if there are any.

How will my final benefit be affected?

If you are a contributing member

When you access part of your benefit under financial hardship or other specified grounds, instead of reducing your benefit at that time, we create an early release deduction amount (ERDA) for you. This makes sure your defined benefit is unaffected until we pay your final benefit.

The amount paid to you will be recorded in the ERDA and will increase with fund earnings (or decrease if earnings are negative). The total amount in the ERDA will be deducted from your final benefit at the time it is paid. The amount of the ERDA and fund earnings will be recorded on your annual member statement.

If you are a number of years away from retirement, the amount of your early release could significantly reduce your final benefit from the PSS.

If you are a preserved benefit member

When you access part of your benefit under financial hardship or other specified grounds, that amount is deducted from your preserved benefit.

Will I lose my pension entitlement?

If you are a contributing member

No, all your benefit options are maintained.

If you are a preserved benefit member

Yes, unless you become a contributor again.

How are my benefits released?

Complete the **Early access to superannuation benefits** application form then send it to us, along with any documentation, for processing and approval.

Where can I get more information?

EMAIL members@pss.gov.au

PHONE 1300 000 377

FAX 02 6272 9613

MAIL PSS
PO Box 22
Belconnen ACT 2616

WEB www.pss.gov.au.