



**Access super
in tough times**

Accessing your super under financial hardship

Super is all about saving for your retirement, so it's important to understand the rules around accessing it early.

You can generally access your super when you:

- turn 65 (even if you're still working)
- are between 60 and 65 and are permanently retired
- stop working for an employer after turning 60, even if you're still working for another employer
- are between 60 and 65 and start a transition to retirement strategy while still working

These are called 'conditions of release'.

For more details about accessing super for retirement, read our *Access your super* fact sheet.

Accessing your super early

While most people wait until retirement to access their super, there are times when you may need to access it sooner.

This includes if you:

- experience severe financial hardship
- meet certain compassionate grounds

- have a terminal medical condition
- suffer permanent incapacity
- suffer temporary incapacity (in this case, you may be able to access an insured benefit only, if you have Income Protection cover and are eligible for the benefit)
- are a temporary resident departing Australia
- have a super balance under \$200 and have stopped working for an employer
- are using the First home super saver scheme

Penalties apply if you illegally withdraw your super early.

The process for accessing your super under these conditions is different to 'normal' withdrawals.

This fact sheet only provides details on severe financial hardship. For details on other early release conditions, read our *Early access to your super* fact sheet.

Before you apply to access your super

There are some important things you should consider before applying to access your super.

- ☑ If you access your super early, you may have less money in retirement.
- ☑ Any insurance through your super account will be cancelled if you close your account.
- ☑ To keep your CareSuper account open, you'll need to leave at least \$200 in the account (unless the amount being withdrawn has been approved by the ATO). We may adjust any withdrawal amounts to meet this requirement.
- ☑ You may have to pay tax on your withdrawal, depending on your circumstances.
- ☑ Part withdrawals are paid in line with your chosen future transaction investment strategy. For example, if your chosen investment strategy for contributions and other transactions is split equally between two investment options, the withdrawal will be made in equal proportions from these investment options.

- ☑ If you want to claim a tax deduction or split your contributions with your spouse, do this before withdrawing all or part of your super. These options aren't available or will be limited for contributions you've withdrawn from CareSuper.
- ☑ Releasing super early may count towards your assessable income for income tax purposes. This can affect child support, family tax benefit and any government income support (if applicable).



Seek advice

You should seek advice from a financial adviser to confirm if withdrawing your super will have any tax implications, and how it could affect any government income payments you may receive. If you're under 60, you may have to pay tax.

Eligibility

There are strict government rules about withdrawing your super for severe financial hardship.

You must meet **ALL** of the requirements, under either category A or category B below:

Category A

- I haven't received a financial hardship payment from any super fund in the last 12 months
- I've been a member of CareSuper for at least three months
- I've received eligible government income support payments for a continuous period of at least 26 weeks and am still receiving payments, and
- I'm unable to meet reasonable and immediate family living expenses

OR

Category B

- I'm unemployed or work less than 10 hours each week
- I've received eligible government income support payments for a cumulative period (not necessarily a continuous period) of at least 39 weeks since turning 60

If you don't meet all the eligibility requirements under either category A or category B, you aren't eligible for a financial hardship withdrawal.



You must be receiving income support payments

We can't pay a financial hardship benefit if you haven't received eligible income support payments for the required period shown above. We'll verify this with Centrelink before approving your payment. If you're receiving income support from the Department of Veterans' Affairs (DVA) you'll need to obtain a letter from DVA confirming that you've received income support payments for the required period.

How much you can apply for

The amount you can apply for depends on which category you're applying under, and the approved amount may be reduced by tax if you're under 60.

Category A

- the most you can withdraw is \$10,000 before tax
- the minimum amount you can receive is \$1,000 after tax, or the balance of your account if it's less than \$1,000

We may adjust your requested amount to meet these requirements.

You can only receive one financial hardship payment from super (across all funds you participate in) in a 12-month period. If you've already received a payment from either CareSuper or another super fund in the previous 12 months, you aren't eligible for another payment, even if you withdrew less than the maximum amount allowed.

Category B

You can apply to withdraw your whole account balance.

Tax on withdrawals

Super accounts are made up of a tax-free component and a taxable component.

- The tax-free component will generally be paid out to you (or your beneficiaries) without tax being applied or withheld.
- The taxable component may have tax applied or withheld depending on your age and how the payment is made.

When you access super, the amount withdrawn is paid proportionately from both components (you can't choose which component your withdrawal is paid from).

You can check the tax components for your balance in **Member Online** or by contacting us. These amounts are also shown in your annual member statement.

If you're 60 and over

- Super withdrawals are generally tax-free.
- You don't need to declare these amounts as assessable income when you lodge a tax return.

If you're under 60

- You may need to pay tax when you draw money out of your account.
- Tax may apply to the taxable component of your withdrawals with a taxed element. This will be taxed at your marginal tax rate plus the Medicare levy or 22% (including the Medicare levy), whichever is lower. We'll withhold 22% at the time of the payment. If your marginal tax rate is lower, you may get some of this tax back when you lodge your personal income tax return. Taxes are generally withheld from your payment before you receive it.

If your benefit includes an untaxed element (such as insurance proceeds), a higher tax rate may apply. You may pay less tax if you access your super due to permanent disablement or terminal medical condition.

For more information, read our *How super works guide*.

How long will it take?

Once we've received all required information, we'll assess if you're eligible within five working days, with payments made within three business days from confirmation of your eligibility.

How to apply

Financial hardship applications must be made directly to CareSuper.

You can apply to access your super under financial hardship:

- by completing an *Apply to access your super under financial hardship* form
- by calling us on **1800 005 166**



If your application will result in the closure of your account, you'll need to complete the *Apply to access your super under financial hardship* form.



Beware of scams!

Scammers use early release applications to illegally access super accounts.

Never trust anyone that offers to help you access your super early, especially if they charge a fee or offer to submit the application on your behalf.



We're here to help

We're here to help you make the most of your super. You can access general information, education, and personal advice about your CareSuper account at no extra cost.

If you need advice on your entire financial situation or have more complex needs, we can assist with that too. There might be an additional cost, but we'll explain any fees upfront, and you'll only pay for the services you agree to.

For more details, visit caresuper.com.au/advice.



All our forms and publications are available at caresuper.com.au/forms-publications or call us, and we'll send you a copy.

Here to help

1800 005 166 (+61 3 7042 2723 if overseas)
caresuper.com.au

 info@caresuper.com.au  GPO Box 1547 Hobart TAS 7001



This document contains general information only and doesn't take into account your objectives, financial situation or needs. Before making a decision about CareSuper, you should consider if this information is right for you. You may also wish to consult a licensed financial adviser. Consider the PDS and TMD at caresuper.com.au/pds. Any advice provided in this document is provided by CareSuper Advice Pty Ltd ABN 78 102 167 877, AFSL 284443. A copy of the *Financial services guide* for CareSuper is available at caresuper.com.au/fsg.

All information, rates and/or fees are current at the time of production and are subject to change. Changes to government legislation and super rules made after this time may affect the accuracy of the information provided. You may wish to obtain professional advice before acting on any of the information contained in this document.

Issuer is CareSuper Pty Ltd ABN 14 008 650 628, AFSL 238718, the trustee of CareSuper ABN 74 559 365 913.

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Apply to access your super under financial hardship

1800 005 166
info@caresuper.com.au
GPO Box 1547, Hobart TAS 7001

Important information

If you're experiencing financial hardship you may be able to access some or all of your super to meet your immediate needs.

Things you should know:

- Your insurance will cease if you close your account.
- Part withdrawals will be paid in line with your chosen future transaction investment strategy.
- If you want to claim a tax deduction or split your contributions, do this before submitting this form. These options aren't available for contributions you've withdrawn from CareSuper.
- You should seek personal advice to confirm if this payment will have tax or social security implications.

Once we've received all required information, we'll assess if you're eligible within five working days, with payments made within three business days from confirmation of your eligibility.

Section 1

Are you eligible for a financial hardship payment?

You must meet **ALL** of the requirements under either category A or category B below.

Category A

- I haven't received a financial hardship payment from any super fund in the last 12 months
- I've been a member of CareSuper for at least three months
- I've received eligible government income support payments for a **continuous period of at least 26 weeks** and I'm still receiving payments and
- I'm unable to meet reasonable and immediate family living expenses

☐

I confirm I meet all the requirements listed in Category A.

OR

Category B

- I'm unemployed or work less than 10 hours each week.
- I've received eligible government income support payments for a **cumulative period (not necessarily a continuous period) of at least 39 weeks** since turning 60

☐

I confirm I meet all the requirements listed in Category B.

To be eligible for a financial hardship withdrawal you must tick the box confirming your eligibility under either Category A or Category B.

We can't pay a financial hardship benefit if you haven't received eligible government income support payments for the required period shown above. We'll verify this with Centrelink before approving your payment. If you're receiving income support from the Department of Veterans' Affairs (DVA) you'll need to obtain a letter from DVA confirming that you've received income support payments for the required period.

Section 2

Your details

Member number

Account number

Date of birth (DD MM YYYY)

Last name

Given name(s)

Residential address

Suburb/Town/City

State

Postcode

Preferred phone

Email

Do we have your tax file number (TFN)?

☐

Yes

☐

No, but here it is:

You don't have to provide your TFN, but you may pay extra tax, miss out on government incentives and you can't make personal contributions. Read our *How super works* guide available at caresuper.com.au/pds for more information.

Section 3

How much do you want to apply for?

The amount you can apply for depends on which category you're applying under. You told us your category in section 1.

Category A: the most you can withdraw is \$10,000 (before tax).

Category B: you can withdraw your whole account balance.

How much do you estimate will help with your current financial hardship?

☐

my full account balance

This will close your account and any insurance cover will end. The final amount paid may vary due to investment earnings, tax and fees.

OR

☐

an amount of: \$ (before tax).

- The approved amount paid may be reduced by tax if you're under 60.
- The amount must be greater than \$1,000.
- You need to leave at least \$200 in your account to keep it open.
- We may adjust the specified amount to meet these requirements.

Section 4

Payment details

Provide your bank account details below. We'll send you a cheque if this section is left blank.

Account holder's full name – e.g. Jane Smith.

The account must be held solely or jointly in your name. Payments can't be made to business accounts or third parties.

BSB number

Account number



Section 5

Provide proof of identity

Please verify your identity by choosing option 1 or 2.

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Option 1 – I want to use electronic verification

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I confirm that I am authorised to provide the personal details presented and I consent to my information being checked with the document issuer or official record holder via third-party systems for the purpose of confirming my identity.

Important: Make sure that the details you provide below exactly match your documents. If the details vary, we won't be able to verify your identity electronically.

Provide details of any TWO of the following:

1. Australian driver's licence

Full name as appears on my driver's licence

My Australian driver's licence number

State of issue

Expiry date (DD MM YYYY)

Card issue number

2. Medicare card

Full name as appears on my Medicare card

My Medicare number

Valid to (MM YYYY)

Colour of card

☐

Green

☐

Yellow

☐

Blue

Your reference number on this card is

3. Australian passport

Full name as appears on my passport

My Australian passport number

☐

Option 2 – I want to use paper-based verification

☐

I've provided certified proof of identity with this form. Read our *Guide to providing proof of ID* fact sheet for more details.

☐

I confirm that I am authorised to provide the personal details presented and I consent to my information being checked with the document issuer or official record holder via third-party systems for the purpose of confirming my identity.

Section 6

Confirm you're receiving government income support payments

I

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 authorise:

- CareSuper Pty Ltd to use Centrelink Confirmation eServices to perform a Centrelink enquiry of my customer details
- the Australian Government Services Australia (the agency) to provide the results of that enquiry to CareSuper

I understand that:

- the department will disclose information to CareSuper based on whether I've been in receipt of a qualifying Centrelink payment for a specified period to confirm my eligibility for early release of super on the grounds of financial hardship
- the department will disclose to CareSuper my personal information including my name, date of birth and payment status
- this consent, once signed, remains valid while I'm a customer of CareSuper unless I withdraw it by contacting CareSuper or the department
- I can get proof of my circumstances/details from the department and provide it to CareSuper so that my eligibility for early release of super on the grounds of financial hardship can be determined
- if I withdraw my consent or don't alternatively provide proof of my circumstances/details, I may not be eligible for the service provided by CareSuper

Your Centrelink Customer Reference Number (CRN)

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Your signature

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Date (DD MM YYYY)

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Section 7

Member declaration

By signing this form I'm making the following statements:

- To the best of my knowledge, the information I've provided is true and correct.
- I understand that I will lose benefits such as insurance if my account is closed. I've considered this and don't require any further information.
- I understand that if CareSuper receives any contributions after my account has been closed a new account may be opened for me.
- I consent to the use of my personal information as outlined in CareSuper's *Privacy policy* available at caresuper.com.au/privacy-policy or by calling us on **1800 005 166**.
- I request and consent to the payment of my benefits as described above, and authorise CareSuper to determine the tax treatment of my benefit.

Your signature

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Date (DD MM YYYY)

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Return the completed, signed and dated form via:

- upload using the Contact Us portal in **Member Online**
- email to info@caresuper.com.au
- mail to CareSuper, GPO Box 1547, Hobart TAS 7001