

Access to super due to severe financial hardship

Generally you can only access your super when you permanently retire. However, there are some circumstances when you may be allowed early access to your super, including **severe financial hardship**.

To be eligible for release of your superannuation benefit on grounds of financial hardship, you must satisfy us that you meet the conditions of either **Case 1** (no age restriction) or **Case 2** (if reached preservation age – refer table on Page 2 under Case 2). The difference is explained in this fact sheet. If you cannot show that you meet the conditions under Case 1 or Case 2, we cannot authorise the release of your benefit on grounds of financial hardship.

Case 1 (no age restrictions) applications

Eligibility

You can apply for a financial hardship benefit under Case 1 if you are:

- in receipt of a 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 last (continuous) 26 weeks; and
- unable to meet **reasonable and immediate family living expenses**. These include mortgage repayments, household expenses, rent and rental bond, child support and child care, debts, car repair bills, health costs, veterinary bills and school fees.

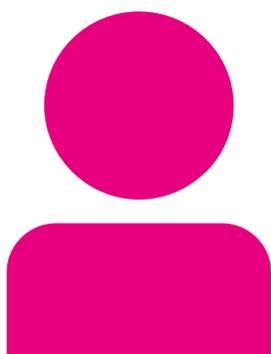
To be eligible for release of your superannuation benefit on grounds of financial hardship, you must **meet the conditions** of either **Case 1** or **Case 2**

Other supporting documents

- A completed *Application for early release of a benefit on grounds of severe financial hardship* form. This form is available from our website and our service centre. The form also has further information about the application process.
- If you provide your Centrelink Reference Number (CRN) on the application form we can check your eligibility directly with Centrelink or you can provide us with a letter from Centrelink/Department of Veterans' Affairs (DVA) stating that you are currently in receipt of a Commonwealth income support payment, and have been for a continuous period of at least 26 weeks. The letter must be dated within 21 days of your application for the payment of your benefit. See **Centrelink evidence** on page 2.
- A statutory declaration (this is contained in the application form) stating, among other things, that you are unable to meet reasonable and immediate family expenses from your income, i.e. the combined expenses of you and your family exceed the combined income of you and your family.
- A bank account statement in your name (or joint names of which you are one) dated within the past three months showing the current account balance. Note that if an EFT payment is to be made, the bank account details on the statement provided must match the details supplied on the application form.
- Certified proof of identity – see the application form for details of the documents and certification requirements.

How much 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).



Case 2 (reached preservation age) applications

Eligibility

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

- have reached your preservation age (see table); and
- are not gainfully employed (part time or full time) at the date of this application; and
- have been in receipt of 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
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
From 1 July 1964	60

Supporting documents

- A completed *Application for early release of a benefit on grounds of severe financial hardship* form. You must confirm that you have reached preservation age, you are unemployed or employed for less than 10 hours a week at the date of this application, and you have been in receipt of a Commonwealth income support payment for a cumulative period of 39 weeks since reaching preservation age. This form is available from our website and our service centre. The form also has further information about the application process.
- If you provide your Centrelink Reference Number on the application form we can check your eligibility directly with Centrelink or you can provide us with a letter from Centrelink/DVA stating that you have been receiving Commonwealth income support payments for a cumulative period of 39 weeks since reaching your preservation age. (See **Centrelink evidence** in the next column).
- Note that if an EFT payment is to be made, a bank statement must be provided and the details on the statement must match the details supplied on the application form.
- Certified proof of identity – see the application form for details of the documents and certification requirements.

How much can be released?

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

Case 1 and Case 2 applications

Centrelink evidence

If you choose not to provide your CRN, we will require hard copies of the evidence of income support for the required number of weeks for each case.

For members applying under Case 1 criteria, the letter issued by Centrelink is called a Q230. If you are over preservation age and applying under Case 1 you will have to speak to Centrelink to ensure they provide you with a letter that confirms that you are in receipt of 26 continuous weeks of income support. This letter has a validity period of 21 days, so you must ensure it is sent to us within this time frame.

For members who have reached preservation age and are applying under Case 2 for the release of benefits, the letter Centrelink issues is called a Q251.

Any benefit you claim may affect your social security payments.

Tax payable on the amount released

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

Where to send your completed paperwork

You can request an application form from our service centre on 1300 650 873. Your completed application form and supporting documents should be sent to:

First State Super
PO Box 1229 Wollongong NSW 2500.

If you are not eligible to make a financial hardship claim

You may wish to check if you meet the conditions for the release of your benefits on compassionate grounds – see the fact sheet on our website *Access to super on compassionate grounds*.

Here to help!

Super can be quite complicated and sometimes you just want to know that you're making the right decisions. Because the right decisions about your super can make a real difference to your financial future.

So if you've got any questions, or you just want the comfort of knowing you're on the right track, getting some advice can help.

StatePlus is our financial planning business and is wholly owned by us. The team at StatePlus can answer simple questions about your super over the phone, or if your situation is more complex, prepare a full financial plan for you. It's all up to you, no obligation. Book online at firststatesuper.com.au/advice or call **1800 620 305** (Monday to Friday 8.15 am to 8.15 pm AEST/AEDT) to arrange an appointment.

Financial planning services are provided by our financial planning business, State Super Financial Services Australia Limited, trading as StatePlus ABN 86 003 742 756 AFSL No. 238430. StatePlus is wholly owned by First State Super.



Contact us

Phone 1300 650 873

Fax 1300 722 072

Email enquiries@firststatesuper.com.au

Web firststatesuper.com.au

Post PO Box 1229
Wollongong NSW 2500

This is general information only and does not take into account your specific objectives, financial situation or needs. You should seek professional financial advice, consider your own circumstances and read our product disclosure statement before making a decision about First State Super. Call us or visit our website for a copy. Issued by FSS Trustee Corporation ABN 11 118 202 672, AFSL 293340, the trustee of the First State Superannuation Scheme ABN 53 226 460 365. Financial planning services are provided by our financial planning business State Super Financial Services Australia Limited, trading as StatePlus, ABN 86 003 742 756, AFSL No. 238430. StatePlus is wholly owned by First State Super.