

Access to super on compassionate grounds

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, such as **compassionate grounds**.

The conditions you need to meet

In order to access your super on compassionate grounds, you must meet the conditions specified by the Australian Tax Office (ATO), the government body responsible for assessing applications for the release of superannuation on compassionate grounds.

You must not have the financial capacity to meet the expenses associated with one of the specified compassionate grounds. For example, you may be faced with extra medical expenses for either yourself or a dependant, and be unable to pay these expenses. Your application must include supporting documentation, as outlined by the ATO.

The circumstances under which your super will be released on compassionate grounds are outlined below.

For medical/dental treatment or transport

In order to be able to use your super to help fund 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
- acute or chronic physical pain
- acute or chronic mental illness.

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.

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 or council (due to outstanding council rates). Access will not be granted if you are unable to pay rent, or if your mortgage repayments are:

- not yet in arrears;
- already in arrears, but not to the extent that the lender has decided to sell;
- for a property that belongs to your dependant, other family member or a friend; or
- for any property other than your primary home (i.e. this does not include investment properties or second homes).

For modifications to your home and/or motor vehicle

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

For care for terminal medical condition

You may be granted access to your super to provide palliative care for yourself or your dependant.

For expenses relating to the death of a dependant

You may be granted access to your super to assist with funeral, burial, cremation and other expenses 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 only be approved if you have an 'interdependency relationship' with that dependant.

The 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 comprise 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.



See our fact sheet *Super taxes, caps, payments thresholds and rebates* for more tax information.

How to apply

Step 1 – Apply to the ATO

If you think that one or more of the specified compassionate grounds applies to you, you can apply to the ATO online through ato.gov.au, then search for 'access on compassionate grounds'. You can also make an application through your MyGov account if you have registered for Centrelink online services already. If you can't apply online, you will need to call the ATO for instructions.

You will need to provide supporting documentation with your application and identify yourself to the ATO when you apply. 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 with their decision and their reasons for that decision. If they approve the early release of your super you must then apply to First State Super for payment (see Step 2).

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

Website: ato.gov.au

Phone: 13 28 65

Post: Australian Taxation Office
Compassionate release of superannuation
PO Box 3006
PENRITH NSW 2740

Tip

For more information on how to certify your documents, see our fact sheet *Proof of identity*.

Step 2 – Apply to First State Super

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

- ATO letter of approval of the early release of your benefit (original or certified copy);
- a completed *Application for early release of a benefit on specified compassionate grounds* form, which is available on our website and from customer service;
- proof of identity documents as outlined on the application form and a copy of your bank statement, if you would like us to pay your benefit directly to your bank account.

Provided all the documents are in order and payment is approved, the payment will be made in accordance with the instructions on the application form or as directed by ATO.

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.



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