

“Can I use my super money to help me recover after the floods?”

MARCH 2022

Following the recent flooding in New South Wales and Queensland, many people are now having to rebuild their homes and their livelihoods. While help and financial assistance is available through State and Federal Government, depending on your circumstances, you may also be able to access some of your super.

It's important to know, however, that the ATO has strict criteria around accessing your super and may also impose tax on any money you withdraw.

Grounds for accessing your super

1. You may already be able to access your super

Based on your age and stage of life, if you meet any of the following conditions, you may already have access to some or all of your super:

- You've reached 65 years of age
- You've reached age 60 and left a job (even if it's not your main job)
- You are at preservation age (the age you can legally access your super) and retired (Preservation age depends on your date of birth. Learn more at activesuper.com.au)
- You are in a transition to retirement arrangement, while continuing to work
- You have some unrestricted non-preserved amounts available

2. You may qualify under special circumstances

Don't meet any of the above conditions? You may still be able to access a portion of your super. Special circumstances include:

- **Severe financial hardship.** To qualify, you must have been receiving eligible Government income support payments continuously for at least 26 weeks and be unable to meet reasonable and immediate family living expenses.

If approved by the ATO, you can withdraw a minimum of \$1,000 (or all your account balance if it's less than this) and a maximum of \$10,000, once only per 12-month period. (Cashing restrictions may be different for those above preservation age + 39 weeks).

- **Compassionate grounds.** In very limited circumstances, you may be allowed to withdraw some of your super on compassionate grounds for unpaid expenses where you have no other means of paying them. Examples include making a payment on a home loan or council rates so you don't lose your home, the need for medical treatment and medical transport for you or your dependant, and modifying your home or vehicle to accommodate you or your dependant's severe disability.

Only the ATO can make decisions to release super on compassionate grounds. For more information and other examples, visit the ATO website.

It's important to note that strict conditions apply, and the fact that you are affected by the recent flooding does not necessarily mean you will satisfy the ATO's requirements.

3. You may have other grounds for early access

Other reasons you may be granted early access to your super include:

- Total and permanent incapacity
- Terminal medical condition
- Temporary incapacity
- You have a super balance less than \$200
- You are a temporary resident departing Australia

To access your super, the first step is to complete an application form available from Active Super. Please call us on 1300 547 873 between 8.30am and 6.30pm, Monday to Friday, or email us at hello@activesuper.com.au

If you need money in the short term, assistance is available from the Federal and State Governments. Remember to check your local Council website to see what additional support may be available in your community.

Please note, early release withdrawals from your super are paid and taxed as a normal lump sum and may be subject to tax.

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