



Stimulus relief package and what this could mean for **SUPERANNUATION**

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27 March 2020

Stimulus relief package and what this could mean for you

A number of measures have been put in place to support Australians and the economy in response to the Coronavirus.

We have put together some information to summarise the key **superannuation** measures and to assist you in understanding the help that could be available to you and your loved ones.

When will the announced benefits become available?

All of the measures recently announced up to 22 March 2020 have now been legislated. While some benefits are available to be accessed immediately, others will commence in the coming weeks and months.

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Access to super savings

Access to superannuation savings has been broadened where you're in financial distress because of the Coronavirus and meet certain eligibility conditions.

If eligible, you're able to access up to \$10,000 before 30 June 2020 and an additional \$10,000 from 1 July (available until approximately September).

To be eligible, you must meet one of the following conditions at the date you apply:

- you're unemployed
- you're eligible to receive Jobseeker Payment, Youth Allowance (jobseekers), Parenting Payment, Special Benefit or Farm Household Allowance
- on or after 1 January 2020, you were made redundant, your hours of work reduced by at least 20%, or if you're a *sole trader*, your business was suspended or your turnover reduced by at least 20%.

You'll also be able to make a withdrawal where you're an employee of your own company or family trust and your working hours have decreased by at least 20%.

How to apply

Applications will be through MyGov to the Australian Taxation Office (ATO) and it is expected that claims can be made from mid-April.

You'll need to make a declaration that you meet one of the above eligibility requirements.

You're also able to nominate how much you'd like (up to the \$10,000 limit) and if you have multiple funds, you can also nominate more than one fund from which to draw this amount (up to a maximum of \$10,000 in total).

Once the ATO confirms you're eligible, it will issue you and your super fund with a determination and the payment will be made to you. If you have a self-managed super fund, arrangements will differ and the ATO is yet to provide those details. Payments are tax-free and amounts received will not impact Centrelink or DVA entitlements.

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Superannuation Pensions – Reduction in income stream drawdown rates

There is a temporary reduction in the minimum annual amount that you're required to withdraw from your super income stream. The reduction in the minimum drawdown rates applies for the duration of the 2019/20 financial year and for the 2020/21 financial year. The minimum drawdowns for account-based pensions reduces as follows:

Age	Minimum pension payments	
	Previous	New
Less than 65	4%	2%
65-74	5%	2.5%
80-84	6%	3%
85-89	9%	4.5%
90-94	11%	5.5%
95+	14%	7%

Other measures

Additional measures announced include:

- Support for regions and communities impacted by the virus with reliance on tourism, agriculture and education
- Administrative relief provided by the ATO for certain tax obligations, such as lodging tax returns and activity statements, which will be assessed based on individual circumstances, and
- Comprehensive health package of \$2.4 billion.

You may wish to contact the ATO's Emergency Support Infoline on 1800 806 218 or email COVID-19Taxissues@ato.gov.au.

Next steps

To find out more about these and any other issues or concerns you may have, please contact your financial adviser.

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