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# Early access to your superannuation benefits

## Overview

Generally, your superannuation benefits are required to be preserved until:

1. you reach your preservation age (age 55 up to age 60 for people born after 30 June 1964 – see below) and
2. satisfy a condition of release set out in the *Superannuation Industry (Supervision) Act 1993* and the regulations to that Act (SIS).

However, the *SIS Act* provides Commonwealth Superannuation Corporation (CSC) with the discretion to release preserved benefits or MilitarySuper ancillary benefits early in certain circumstances, where the early release conditions specified in the scheme rules have been satisfied.

You may be able to access all or part of your MilitarySuper preserved benefits or MilitarySuper ancillary benefits:

- › if you are suffering severe financial hardship or
- › on specified grounds or
- › on medical grounds (invalidity).

## Preservation age

The following table sets out your preservation age:

Date of birth	Preservation Age
Before July 1960	55
July 1960 – June 1961	56
July 1961 – June 1962	57
July 1962 – June 1963	58
July 1963 – June 1964	59
July 1964 – June 1965	60

## Severe financial hardship

Before a benefit can be released on these grounds, if you have not reached preservation age, you must satisfy the trustees (or more often the Delegate) that you meet both elements of an objective and a subjective test set out in SIS.

Broadly, the elements are that you must:

- › have been continuously in receipt of Commonwealth income support payments for the immediately preceding 26 weeks and must currently be in receipt of such a payment (the objective test) and
- › satisfy our Delegate that you are unable to meet reasonable and immediate family living expenses (the subjective test).

SIS sets limits on amounts that can be released in any 12 month period on the grounds of severe financial hardship. The amount that can be released on the grounds of severe financial hardship in any one 12-month period must be more than \$1,000 before tax (unless the member has less than \$1,000 in his/her account in which case the whole amount can be released) and not more than \$10,000 before tax.

The 12-month period commences on the date an amount is released on the grounds of severe financial hardship. A new 12-month period would start from the date of any subsequent release of an amount on the grounds of severe financial hardship. Further information regarding early release of benefits on financial hardship grounds is contained in the **Access-HDS** form available on the MilitarySuper website at [militarysuper.gov.au](http://militarysuper.gov.au)

## Specified grounds

You may consider asking the Department of Human Services (DHS) to approve the release of some or all of your MilitarySuper preserved benefits or your MilitarySuper ancillary benefits on specified grounds. DHS will consider approving the release on specified grounds if it is satisfied that you don't have the financial capacity to:

- › pay for your own or your dependant's medical treatment or transport if such treatment or transport is not available through the public health system. The medical treatment must be necessary to treat a life threatening condition; relieve acute or chronic pain; or relieve an acute or chronic mental disturbance. DHS requires two medical certificates in this respect, one from a specialist.
- › make a payment on a loan to prevent foreclosure on your principal place of residence.
- › modify your home or car to meet your or your dependant's special needs where you or your dependant suffer from severe disablement.
- › pay for your or your dependant's palliative care.
- › pay for expenses associated with the death, funeral or burial of your dependant.
- › meet any other expenses where the release is consistent with any of the above grounds.

Members can obtain more information on release of benefits on specified grounds from the DHS website at **humanservices.gov.au**. Further information regarding early release of benefits on financial hardship grounds is contained in the **Access-HDS** form available on the MilitarySuper website at **militarysuper.gov.au**

## Implications of accessing benefits on hardship or specified grounds

MilitarySuper Preserved Benefit members and MilitarySuper members with ancillary benefits seeking an early release of all or part of their benefits need to understand that their overall benefit will be reduced when their benefit becomes payable under the MilitarySuper Rules if they are granted early access to their benefit.

## Medical grounds (invalidity)

You may be entitled to access your benefits on medical grounds if your reason for leaving employment is as a result of a medical condition resulting in you being permanently incapacitated to work again in employment for which you are reasonably qualified. If this is the case, you will need to provide reports from two medical practitioners to support your claim.

In some cases, the medical condition which is the cause of your current incapacity may have been present at the time of your discharge. Should you believe this to be so, and you believe that the condition was of such severity that you could have been discharged from the Australian Defence Force as medically unfit, you may request us to consider whether to exercise a discretion to determine that your discharge (on grounds other than invalidity retirement) be treated as if it were invalidity retirement.

Should we agree to exercise our discretion you may be entitled to invalidity benefits. More details on the design of invalidity benefits or early release on medical grounds can be found in the **Invalidity Benefits** factsheet or the **Access-Med** form, both of which are available at **militarysuper.gov.au** or by contacting us on **1300 006 727**.

You must have some of your employer component preserved to apply for retrospective invalidity benefits. If you intend to withdraw your remaining equity on hardship grounds, you will not be able to seek a retrospective invalidity benefit.

## If you need more information...

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