



# Planning your retirement

What to think about  
before you stop working

April 2023



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3.06 million Australians trust us to look after \$274 billion<sup>1</sup> of their retirement savings.

With our history of strong long-term returns for our Balanced option<sup>2</sup>, and member-first approach, we can help you achieve your best financial position in retirement.

<sup>1</sup> At 31 December 2022.

<sup>2</sup> AustralianSuper Balanced investment option compared to the SuperRatings Fund Crediting Rate Survey – SR50 Balanced (60–76) Index to 31 December 2022. Investment returns aren't guaranteed. Past performance is not a reliable indicator of future returns.

# What will retirement look like?

You've spent your life building your savings, so you can enjoy life when you stop working.

Depending on when you stop working, you might be retired for 20 years or more. Have you given much thought to what your lifestyle will look like once you stop working? It'll be different for everybody, but here are a few things to consider.

## What will your expenses be?

- **Housing:** do you own or rent? Think about what this will cost in the future. Are there renovations or upkeep expenses you should factor in?
- **Travel:** whether it's to visit family or see new sights, you might want to set aside a budget for regular getaways.
- **Car:** consider maintenance costs for your car. Will you need a new car in the next 10-20 years?
- **Children and family:** as your family grows up, do you plan to offer additional financial support?
- **Health and wellbeing:** you might need to set aside more money for medical expenses like preventative health checks.
- **Hobbies:** maintaining your hobbies or trying out new ones could start to add up.
- **Other expenses:** will you have money set aside to cover unforeseen expenses and emergencies?

## What won't you need anymore?

- **A large house:** you might consider downsizing if the family home is no longer suitable. You may be able to put some of the downsizing proceeds into your super – see page 17 for more details.
- **Additional cars:** is one car enough now that your lifestyle has changed?
- **Daily travel expenses:** if you're not travelling to and from work every day, you might find you save on public transport and parking costs.

## How will you spend your time?

- **Hobbies:** you may already have some, or you might use your spare time to learn something new. Hobbies are a great way to keep in touch with friends and meet new people.
- **Travel:** explore the world or your own backyard.
- **Activities with family and friends:** social outings are a big part of most people's lives. You might find you're busier than ever once you've got more downtime.
- **Volunteer:** many retirees find volunteer work a rewarding way to use their spare time.
- **Exercise:** keeping fit can help maintain both physical and mental health.
- **Working part-time:** you might prefer to keep working, or start a new or different job once you've retired.



# Many people retire earlier than they planned to

10%<sup>1</sup>

Later than planned

41%<sup>1</sup>

At the age expected

49%<sup>1</sup>

Earlier than planned



In 2022, the average retirement confidence score is 66<sup>2</sup> out of 100.

<sup>1</sup> Source: Investment Trends Retirement Income Report (October 2020) based on responses from 957 Australian retirees.

<sup>2</sup> AMCI Report, July 2022.

Most of the time it's  
for health reasons

13%<sup>1</sup>

To take care  
of family/friend

54%<sup>1</sup>

Health issues,  
accident or disability

19%<sup>1</sup>

Became  
unemployed



## Planning when to retire

Not being able to choose when you retire is common and can have a big impact on your financial situation. Feeling confident about and planning for your retirement is about more than money.

Learn more about which factors can impact your retirement confidence at [australiansuper.com/retirement-confidence-index](https://australiansuper.com/retirement-confidence-index)

<sup>1</sup> Source: Investment Trends Retirement Income Report (October 2020) based on the top three reasons from respondents who retired earlier than planned.

## Work out what you'll need

To set your financial goals, you'll need to consider a few things.

### What money will you live on in retirement?

Most retirees receive income from at least a couple of sources. These may include the money in your super account and investments outside super. The money you live on in retirement may also include some kind of pension payment or allowance from the Government. See page 31 to learn more about the Government Age Pension.

#### Components of retirement income



Government  
Age Pension



Super



Savings



Investments

### Where will it come from?

For most of us, income in retirement will be a combination of superannuation and Government support like the Government Age Pension.

The challenge is, many people find that even if they're eligible for the Government Age Pension, it may not be quite enough to live comfortably. One option is to use your super to top up any Age Pension payments you're eligible for, giving you more income to cover everyday expenses like groceries and bills.



### When to access super

In Australia, you may be able to access your super when you reach preservation age. This varies depending on when you were born.

If you were born...	You may access your super at...
Before 1 July 1960	55
1 July 1960 – 30 June 1961	56
1 July 1961 – 30 June 1962	57
1 July 1962 – 30 June 1963	58
1 July 1963 – 30 June 1964	59
1 July 1964 or <b>after</b>	60

### Are you eligible for the Government Age Pension?

Depending on your income and assets, you may also be eligible for the Government Age Pension when you reach qualifying age. This may be 65, 66 or 67 depending on your birthdate (see page 31).

### How much money will you need?

Whatever your retirement plans, you'll need money put away to meet your daily expenses, as well as any unexpected costs. It will also depend on any outstanding debts you might have. The table on the next page might give you an indication of how much you'll need, but the exact amounts will depend on your lifestyle.

## How much will retirement cost? ASFA Retirement Standard

This table might help you work out how much you'll need.

Expenditure items	Couple		Single person	
	Comfortable lifestyle	Modest lifestyle	Comfortable lifestyle	Modest lifestyle
Housing	\$134.78	\$123.38	\$129.23	\$109.85
Electricity and gas	\$59.81	\$51.13	\$48.23	\$38.07
Food	\$235.87	\$194.59	\$135.71	\$104.96
Communications	\$29.13	\$20.16	\$22.38	\$17.90
Household goods & services	\$104.08	\$44.80	\$84.42	\$38.29
Clothing and footwear	\$53.23	\$40.66	\$28.58	\$21.40
Transport	\$187.07	\$112.54	\$172.78	\$105.71
Health services	\$204.94	\$103.57	\$109.37	\$53.56
Leisure	\$326.16	\$173.27	\$216.85	\$110.32
<b>Total weekly expenditure</b>	<b>\$1,335.08</b>	<b>\$864.11</b>	<b>\$947.56</b>	<b>\$600.05</b>
<b>Total annual expenditure</b>	<b>\$69,691</b>	<b>\$45,106</b>	<b>\$49,462</b>	<b>\$31,323</b>

These figures are from the Association of Superannuation Funds of Australia's (ASFA) Retirement Standard, detailed budget breakdowns for the December 2022 quarter for retirees aged 65–84. All figures are for homeowners.

The Retirement Standard is updated quarterly to reflect inflation and provides detailed budgets of what couples and singles would need to spend to support their chosen lifestyle.

Find out more at [superannuation.asn.au/Resources/Retirement-Standard](https://superannuation.asn.au/Resources/Retirement-Standard)

### Plan your budget

If you're not sure where your hard-earned cash is going each week, planning your spending can help. Plan your expenses with the Budget planner template.

Check out the Budget planner template at [moneysmart.gov.au](https://moneysmart.gov.au)



## Keep your money working for you

You don't have to withdraw your super to access it when you reach preservation age.

There are other options to consider. It all depends where you're at and what you want to achieve.



OR



### Keep working with Transition to Retirement (TTR) Income<sup>1</sup>

You can continue working as you transition to retirement with a TTR Income account<sup>2</sup>. This way you could save more or work less in the lead up to your retirement.

**We'll look at TTR Income in more detail on pages 22-26.**

### Retire with Choice Income

Choice Income is an account based pension that gives you a regular income when you're retired.

You still have full control of your money and can make withdrawals at any time.

**We'll look at Choice Income on pages 28-30.**

<sup>1</sup> Transition to Retirement (TTR) can be complex and isn't suited to everyone. It's a good idea to get financial advice before deciding if a TTR Income account is right for you.

<sup>2</sup> Must meet a condition of release.

# How to get ready

There are five steps you can take to help you get ready for retirement. By acting now, we can work together to make the most of your super savings.

## Five steps you can take to help you get started:

1



Reduce debt

2



Combine your super<sup>1</sup>

3



Add to your super<sup>2</sup>

4



Check your insurance

5



Nominate beneficiaries

<sup>1</sup> Before making a decision to combine your super, consider any fees or charges that may apply, and the effect a transfer may have on benefits in your other fund such as insurance cover. We recommend you consider seeking financial advice. If you wish to claim a tax deduction for personal super contributions, you must lodge a notice of intent to claim a tax deduction with your other fund, before you combine your super.

<sup>2</sup> Before adding to your super, consider your financial circumstances, contribution caps that may apply, and tax issues. We recommend you consider seeking financial advice.

Learn more about advice options at [australiansuper.com/advice](https://australiansuper.com/advice)  
or find a financial adviser at [australiansuper.com/find-an-adviser](https://australiansuper.com/find-an-adviser)



## Step 1: Reduce debt

While you're still working, you might want to focus on paying off your debts. For a lot of people, it makes sense because you'll pay less interest and you may not have to use all of your super to pay off debts, leaving you some super for your retirement.

Whatever your situation, a financial adviser can help you work out the best way forward. Find out about our advice options on page 38.

## Step 2: Combine your super

If you have more than one super account, you could be wasting money paying more than one set of fees. The more fees you pay, the less super for you.



Find out more at [australiansuper.com/combine](https://australiansuper.com/combine) or log into your account online at [australiansuper.com/login](https://australiansuper.com/login)



### Step 3: Add to your super

Small amounts can make a real difference to your final super balance. Adding a few extra dollars today means you'll have more savings down the road!

Making additional contributions to your super can also benefit you now, not just in the future, because making voluntary contributions could mean you pay less tax overall. And the earlier you add, the more it could grow over time.

You can add to your super in different ways:

- salary sacrifice (before tax)
- after-tax contributions
- downsizer contributions
- spouse contributions.

#### Salary sacrifice (before tax)

Adding to your super from your before-tax salary can be a great way to give your super savings a boost, while also reducing the amount of income tax you pay. When you salary sacrifice, your employer diverts some of your salary directly into your super instead of your takehome pay.

Salary sacrificing could help you save money by reducing your taxable income, and potentially saving more on tax.

The money you salary sacrifice into your super is taxed at 15% (if your income is over \$250,000 an additional 15% may apply). Compare this to your usual tax rate which can be as high as 47% (including 2% Medicare levy). This is why it usually benefits middle to high income earners – because the tax on super contributions is less than the tax paid on salary income.

#### Check with your employer

Some benefits that are based on your salary level, like compulsory employer super contributions, holiday loadings, shift allowances and overtime may be reduced if you decide to salary sacrifice, so it's a good idea to speak to your employer first.

#### How much you can salary sacrifice

You can add up to \$27,500 (this limit includes your employer's Superannuation Guarantee payments) from your before-tax income every year without incurring higher tax.

You might be eligible to claim a tax deduction on personal contributions. Tax-deductible super contributions are treated as concessional contributions and are included in the same annual concessional contribution cap. You must lodge a notice of intent with us before you claim a tax deduction.

<sup>1</sup> Before adding to your super, consider your financial circumstances, contribution caps that may apply, and tax issues. Salary sacrifice may affect some Government benefits and employee benefits. Consider getting financial advice before deciding what's right for you.

## Unused concessional carry forward rule

If you have a total superannuation balance of less than \$500,000 on 30 June of the previous financial year, you may be entitled to contribute more than the general concessional contribution cap and make additional concessional contributions for any unused amounts from previous years.

The first year you're entitled to access and carry forward unused amounts is the 2019/20 financial year. Unused amounts are available for a maximum of five years, and after this period will expire.

## Add to your super after tax

If your total super balance is less than \$1.7m, generally you can add money to your super after you've been paid (after-tax). After-tax contributions are known as 'non-concessional contributions'.

The good news is that any contributions you make from your after-tax income aren't taxed when they go into your account or when you make a withdrawal because you've already paid tax on that money.

After-tax contributions can be beneficial for low to middle income earners and those who aren't working. That's because depending on your situation, making after-tax additions to your super could result in a co-contribution or tax offset from the Government. See next page for more information.

### How much you can add to your super after tax

#### After-tax salary

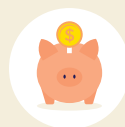


#### After-tax contribution limits<sup>1</sup>



**Under 75 years**  
\$110,000 per year<sup>2</sup>  
or  
up to \$330,000 –  
three years' worth  
of contributions can  
be made in one year<sup>3</sup>

#### Boost your super savings



<sup>1</sup> Additional super contributions are only available to individuals with a total super balance (on 30 June of the previous financial year) under the general transfer balance cap – this is \$1.7 million from 1 July 2021. For more information on thresholds visit [ato.gov.au](https://ato.gov.au)

<sup>2</sup> From 1 July 2022, if you're under the age of 75 you'll be able to make after-tax personal contributions and salary sacrificed contributions without meeting the work test, subject to existing contribution caps. To claim a tax deduction for your personal after-tax contributions, you'll need to meet the work test or qualify for the work test exemption.

<sup>3</sup> If you're under the age of 75 you can access the bring forward rules if your total super balance (on 30 June of the previous financial year) is under the general transfer balance cap. The bring forward period is triggered when you first exceed the after-tax contribution cap for that financial year. Any amounts above this may be withdrawn along with associated earnings, which will be taxed at your marginal tax rate. Excess contributions left in your account will be taxed at 47% (includes 2% Medicare levy).

### Non-concessional bring forward rule

You can add up to \$110,000 after-tax to your super each year, and if you're under 75 during the financial year and trigger the bring forward rule, you can add up to \$330,000 over up to 3 years – see table below.

#### Non-concessional contributions bring-forward period

Total superannuation balance on 30 June of the previous year	Non-concessional contributions cap for the first year	Bring-forward period
Less than \$1.48 million	\$330,000	3 years
\$1.48 million to less than \$1.59 million	\$220,000	2 years
\$1.59 million to less than \$1.7 million	\$110,000	No bring forward period, general non-concessional contributions cap applies
\$1.7 million or more	Nil	n/a

### Government co-contributions

If you earn less than \$57,016 per year (before-tax), are working, and make after-tax contributions, the Government will also contribute to your super.<sup>1</sup>

#### What is a co-contribution?

Depending on how much you earn, and if you make after-tax contributions to your super account, the Government also makes a contribution (called a co-contribution) up to a maximum amount of \$500. The co-contribution is tax free and isn't taxed when it's deposited into, or withdrawn, from your super account.

<sup>1</sup> You must have a total super balance below the \$1.7 million transfer balance cap, be under 71 years of age at the end of the financial year you made the eligible personal super contribution, and not exceed your non-concessional contributions cap for that financial year. Thresholds effective for financial year 2022/23. Other conditions apply.

Learn how you can add to your super with Government co-contributions at [australiansuper.com/after-tax](https://australiansuper.com/after-tax)





## How much will you get?

How much you receive depends on your total income and how much money you add to your super from your after-tax pay. If you earn \$42,016 or less for the 2022/23 financial year, you could receive the full \$500 co-contribution if you add \$1,000 or more to your super from your take-home pay.

If you earn between \$42,016 and \$57,016 for the financial year of 2022/23, you'll still get a Government co-contribution, but not the full amount.

## The Government co-contribution amount depends on your income

Your total annual income FY22/23 <sup>1</sup>	You contribute	Government contributes
\$42,016 or less	\$1,000	\$500
\$42,016 to \$57,016	\$1,000	\$0 to \$500
More than \$57,016	\$1,000	\$0

## Spouse contributions<sup>2</sup>

Making payments into your spouse's super is a great way to build your combined nest egg, while potentially saving tax at the same time.

If your spouse's assessable income is less than \$40,000 a year, you can add up to \$3,000 a year into their super and receive a tax offset. Their income must be \$37,000 or less for you to receive the full tax offset of \$540, but you may still receive a partial offset if they earn up to \$40,000.

## Downsizer contribution<sup>2</sup>

If you are 55 years or older and meet the eligibility requirements, you may be able to add up to \$300,000 as an individual or \$600,000 as a couple (where both partners contribute up to \$300,000 each) into super from the proceeds of selling your home.

The downsizer contribution cap is separate to, and doesn't affect your non-concessional (after-tax) contribution cap.

<sup>1</sup> Assessable income, plus reportable employer super contributions, plus reportable fringe benefits for the 2022/23 financial year.

<sup>2</sup> Additional eligibility criteria may apply. For more details visit [ato.gov.au](https://ato.gov.au)

Find out more by downloading the *Downsize your home and grow your super* fact sheet at [australiansuper.com/forms](https://australiansuper.com/forms) or for information about the downsizer contribution, head to the Australian Taxation Office website [ato.gov.au](https://ato.gov.au)



## Step 4: Check your insurance

### Money when it matters

Most super funds offer automatic insurance to help you protect your future income and the future of the people who matter to you. But how do you know if the type and level of cover you have is right for you?

### How much cover do you need?

As you get older, your insurance needs change, so you might find yourself with too much, too little or the wrong type of cover. Your cover might need to change if:

- you get married or divorced
- you add to your family (including stepchildren) or your adult children move out
- you start or end a de facto relationship
- you take out a mortgage to purchase or build your main home in Australia
- your spouse, de facto or other dependent dies
- your job or salary changes.

### Your cover choices

You can choose the types of cover you need:

- **Death cover** (also known as life insurance): Can help ease financial stress by paying a lump sum to your beneficiaries if you die<sup>1</sup>.
- **Total & Permanent Disablement (TPD) cover**: Can pay you a lump sum if you become totally and permanently disabled and no longer able to work<sup>1</sup>.
- **Income Protection**: Can help if you become ill or injured (at any time) and can't work temporarily<sup>1</sup>.

You can apply to increase, reduce or cancel your AustralianSuper cover<sup>1</sup> any time to suit your needs. You're not able to set up insurance cover on a Choice Income or TTR Income account, so if you want to keep your existing insurance cover it would need to remain on your super account.

<sup>1</sup> AustralianSuper insurance is provided by TAL Life Limited (the Insurer) ABN 70 050 109 450, AFSL 237848. Eligibility to claim for insurance benefits will be determined by the Insurer in line with our policy terms and conditions.

To work out how much cover you need,  
visit [australiansuper.com/InsuranceCalculator](https://australiansuper.com/InsuranceCalculator)



## Step 5: Nominate beneficiaries

Many people don't realise that even if you have a valid Will and you specify where you want your assets to go, this may not apply to your super.

That's why it's important to nominate a beneficiary, so we know who you'd like to receive your super in the event of your death.

There are a few ways you can do this:

### Non-binding nominations

A non-binding nomination is not legally binding, but it means you let us know who you'd prefer to receive your super if you die. So although we'd take your wishes into account, in the end we'd have to decide who your account would be paid to according to your situation at the time and in accordance with the law.

### Binding nominations

A binding nomination provides greater certainty over who receives your death benefit. If you make a binding nomination, we'll pay your account to the person/s you've nominated – as long as your nomination is valid at the time of your death.

A binding nomination is valid if:

- it was made within three years of your death
- all the individuals nominated are alive at the time of your death (for example, if you nominated three beneficiaries and one was no longer alive at the time of your death, your nomination would be invalid)
- all the individuals nominated are eligible.



### If you have a Choice Income or TTR Income account

You can make a non-binding or binding nomination, plus you have an additional option – to nominate a reversionary beneficiary. This means whoever you nominate can then choose to receive the balance of your account as an income in the event of your death. If so, they would receive regular payments from your account until the balance reaches \$0.

### Who you can nominate

Your beneficiaries can be:

- your spouse or partner
- your children<sup>1</sup>
- interdependants<sup>2</sup>
- other financial dependants<sup>3</sup>
- your estate or legal personal representative.<sup>4</sup>



<sup>1</sup> Conditions apply for reversionary beneficiary nominations.

<sup>2</sup> Someone who lives with you and shares a close personal relationship where one or both of you provide financial and domestic support, and personal care of the other.

<sup>3</sup> Someone who relies on you financially as defined by Superannuation law.

<sup>4</sup> A legal personal representative is someone who looks after your estate or will, and can't be nominated for reversionary nominations.

For more information, visit [australiansuper.com/beneficiaries](https://australiansuper.com/beneficiaries)





# Keep working

Make the most of your super as you transition to retirement.

## What is transition to retirement (TTR)?

Transition to retirement (TTR) is a strategy recognised by the Government that allows you to access some of your super while you're still working.

### You could use TTR in two ways:



#### Save more

- ✓ grow your super faster
- ✓ pay less tax

OR



#### Work less

- ✓ work fewer hours
- ✓ access your super<sup>1</sup> to top up your reduced take-home pay



while taking home a regular income

### To open a TTR Income account, you must:

- ✓ have reached your preservation age (see page 9)
- ✓ move at least \$25,000 to your new TTR Income account and leave a minimum balance of \$6,000 in your super account if you would like to keep it open.<sup>2</sup>

<sup>1</sup> Government prescribed minimums and maximums apply. For details view the TTR Income Product Disclosure Statement at [australiansuper.com/pds](https://australiansuper.com/pds)

<sup>2</sup> To find out more about the minimum balance for your super account, visit [australiansuper.com/AccessYourSuper](https://australiansuper.com/AccessYourSuper)

TTR can be complex and isn't suited to everyone. To find out if it's right for you, it's a good idea to get advice. Learn more about your advice options at [australiansuper.com/advice](https://australiansuper.com/advice)  
You can also visit our learning module [australiansuper.com/ttr](https://australiansuper.com/ttr)



## How TTR works

When you reach preservation age and you're still working, you can start a TTR strategy to access some of your super. To do this you need a super account and a TTR Income account.

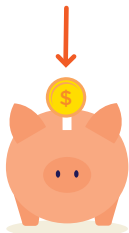
The two accounts work together and may reduce the overall tax you pay while helping boost your super savings. Since you're still working, employer payments mean your super balance continues to grow. And at the same time, you receive money, transferred directly to your bank account from your TTR Income account.

### Here's how both accounts work together in a TTR strategy

1

Your employer and you continue adding money to your super account.

Contributions



Super  
account

2

Transfer some super to open a TTR Income account. To keep your super account open leave at least \$6,000 in it.

One-off transfer of  
at least \$25,000



TTR Income  
account

3

Draw up to 10% of your TTR Income balance to top up your take home pay.

Draw regular payments  
(up to 10%)



Your bank  
account

### TTR Income fast facts

- Once you've opened a TTR Income account, you can't add more money by law. Contributions can be made to your super account.
- By law, you can get income payments of up to 10% of your TTR Income account balance each year. When you turn 65 (or when you retire, or stop working for an employer after turning 60 and the fund is notified), this limit no longer applies, and will change automatically to a Choice Income account.
- Your super and TTR Income accounts stay invested.



## Save more with TTR

In the years before you retire, you could save more super and pay less tax by adding to your super from your before-tax salary (using salary sacrifice).

You can then top up your take home pay with regular payments from your TTR Income account.

With TTR, you:

- could pay less tax if you're aged 60 or older
- can speed up your rate of saving, and
- can access the rest of your money once you retire.

**Example:** Fred just turned 60 and is keen to add to his \$175,000<sup>1</sup> super balance. He earns \$60,000 a year, and is looking forward to retiring at 65. Through TTR, Fred found he could add \$18,100 to his retirement savings over five years without reducing his take-home pay.

**TODAY**  
Super balance  
+  
TTR  
strategy  
starts



Same  
take-home  
pay



**IN 5 YEARS =**  
Super balance  
+  
\$14,000  
extra tax  
savings



<sup>1</sup> This example is provided for illustrative purposes only and isn't a representation of the actual benefits that may be received or the fees and costs that may be incurred. Projection period commences 1/7/2022. Investment returns in both super and TTR Income accounts are assumed to be 6.5% p.a. after investment tax and fees. Admin fees of \$52 p.a. in both super and TTR Income account plus 0.10% p.a. of super account balance capped at \$350 p.a. and 0.10% of TTR Income account balance capped at \$600 p.a. Insurance premiums of \$500 p.a. deducted from the super account; no insurance premiums deducted from TTR Income account. Nominal salary sacrifice tax saving calculations based on a) 2022/23 ATO resident income tax rates b) expected changes from 2024/25 as follows: up to \$18,200, 0%; \$18,201–\$45,000, 19%; \$45,001–\$200,000, 30%; \$200,001 and over, 45%, and c) 2% Medicare levy. Super contributions are 10.5% on 1 July 2022, rising to 12% as legislated by 2025. Annual salary sacrifice amount not indexed to wage inflation. Results have been expressed in today's dollars using wage inflation of 3.5% p.a. Figures rounded to nearest \$100.





## Work less with TTR

Working fewer hours as you get older can be a good way to ease into retirement, and could mean you're able to stay in the workforce longer than you otherwise would.

With TTR, you can:

- take time to look after yourself or others, ease yourself into retirement, or extend your career by working less
- top up your take home pay with regular payments from your TTR Income account
- access the rest of your money once you retire.

Your super will also continue to grow as you keep working.

**Example:** Tina is 60, her take-home pay is \$53,500<sup>1</sup> and she has \$140,000 in super. If Tina decided to work one day less a week, her take-home pay would drop to \$44,700. Tina can set up a TTR Income account to replace her reduced pay, so the money in her pocket stays the same.



1

Tina cuts down on work hours to do more of the things she loves



2

Tina tops up her reduced take-home pay with payments from her TTR Income account



3

She keeps contributing to her super while still working to grow her account balance

It's important to understand how long your super will last, especially if you start accessing your super at a younger age.

<sup>1</sup> This example is provided for illustrative purposes only and isn't a representation of the actual benefits that may be received or the fees and costs that may be incurred. Tina's salary before-tax is \$67,100 (5 days a week) and \$53,700 (4 days a week). Calculations are based on 2022/23 tax rates and include the 2% Medicare levy. Figures have been rounded to nearest \$100. This calculation applies to the first year of TTR only.

## When you turn 65, stop working for an employer after 60, or retire

When you turn 65 your TTR Income account will change automatically to a Choice Income account. If you tell us when you stop working for an employer after 60 or retire, we'll also move your account to Choice Income. Investment returns in Choice Income are tax free.

You can learn more about Choice Income on the following pages or at [australiansuper.com/pds](https://australiansuper.com/pds)





# Ready to retire now

Now that you're approaching the next chapter of your life, it's a good idea to consider different income options for when you stop work. This will help you plan ahead so that you can live the retirement lifestyle you want.

While some of your retirement income may come from the Government Age Pension (if eligible), you can also turn your super into a regular income with an account based pension to top up any Age Pension you may receive. This way you can enjoy life after work while keeping the rest of your savings invested to help last the distance.

## Components of retirement income



Government Age Pension



Account based pension  
– Choice Income account



More money  
every fortnight

## Why Choice Income?

- ✓ your balance stays invested and investment returns are tax free
- ✓ your income payments are generally tax-free from age 60
- ✓ sweeten your retirement with a Balance Booster (if you're eligible)
- ✓ regular payments on top of the Government Age Pension (if you receive it)
- ✓ you can withdraw lump sums at any time.

Find out more about Choice Income online at [australiansuper.com/ChoiceIncome](https://australiansuper.com/ChoiceIncome) or download the *Product Disclosure Statement* at [australiansuper.com/pds](https://australiansuper.com/pds)



## Get a regular retirement income with Choice Income

Turn your super into a regular income with our award-winning<sup>1</sup> account based pension – Choice Income. And you can set it up to suit you.

### It's flexible so you're in control

You can change how much income you receive and how often you want it as long as you meet government set minimum payment amounts<sup>2</sup>. Just as importantly, your money isn't locked away – you can withdraw extra money whenever you need it to pay for bills, holidays and other big ticket items.

#### Here's how Choice Income works

1

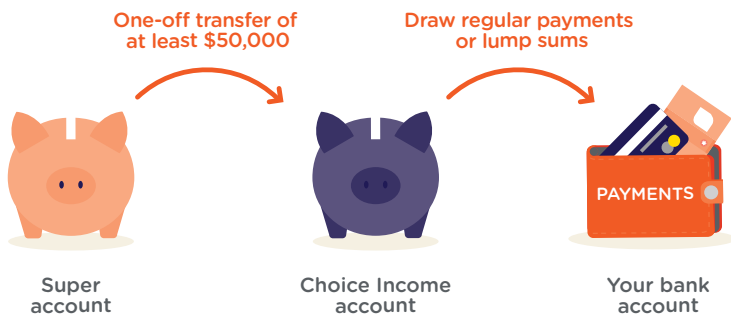
Transfer all or some funds from your super account to open your Choice Income account. Once opened, you can't add more money by law.

2

Draw regular payments or lump sums from your Choice Income account. Payments are tax free once you turn 60.

3

You can change your payment and investment options anytime, while your Choice Income balance remains invested and investment returns are tax free.



<sup>1</sup> AustralianSuper received the Canstar Outstanding Value Award for Account Based Pension in 2022 [canstar.com.au/star-rating-reports/superannuation](https://canstar.com.au/star-rating-reports/superannuation) Awards and ratings are only one factor to be taken into account when choosing a super fund.

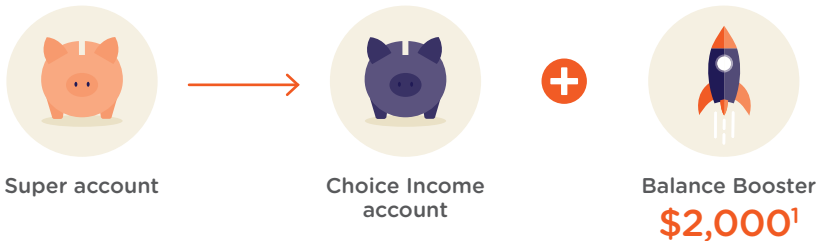
<sup>2</sup> The Government sets a minimum amount that must be taken as an income each year from account based pensions such as Choice Income. This amount varies with your age. To learn more view the *Choice Income Product Disclosure Statement* [australiansuper.com/pds](https://australiansuper.com/pds)

## Balance Booster

If you're already with AustralianSuper, you could be eligible to receive an instant boost to your account balance when you move to Choice Income. It's called Balance Booster. The amount you receive will vary depending on a few things, including your balance and investment options.

### Boosting members' balances

During the last financial year (2021/22), we paid almost \$17 million to nearly 8,400 members who opened a Choice Income account. The average Balance Booster paid to these members was over \$2,000<sup>1</sup>



## Seamless Transfer

Are you already with AustralianSuper and invested in Member Direct investment option? If so, you could use Seamless Transfer to open a Choice Income account without having to sell and re-purchase your holdings in Member Direct, preventing the trigger of capital gains and losses.

Conditions apply. You can learn more about Seamless Transfer at [australiansuper.com/MemberDirect](https://australiansuper.com/MemberDirect)

<sup>1</sup> Based on the Balance Boosters paid up to 30 June 2022. The value of the Balance Booster will vary based on your investment circumstances. Depending on market performance, the Balance Booster may reduce to zero, but it will never be negative.

Learn more about Balance Booster at  
[australiansuper.com/BalanceBooster](https://australiansuper.com/BalanceBooster)



## Will you get the Government Age Pension?

The Government Age Pension is a regular fortnightly income, paid by the Government via Centrelink, designed to help eligible older Australians pay for basic living expenses. If you're eligible, it can supplement payments from your super and provide an additional income once you've stopped working.

Around 62%<sup>1</sup> of Australians over the age of 65 receive either a part or full Government Age Pension. And the great news is, you don't have to spend all of your super before you can access it.

Before you can receive your first payment, you'll need to meet age and residential requirements set by the Government. If you meet these conditions, you'll then need to pass the Assets test and the Income test. These are used to determine your eligibility and the Government Age Pension payment amount you may receive.

### Age Pension qualifying age

If you were born...	You could access the Government Age Pension at...
1 July 1952 to 31 December 1953	65.5
1 January 1954 to 30 June 1955	66
1 July 1955 to 31 December 1956	66.5
1 January 1957 onwards	67

### Residential status

You must be an Australian resident and in Australia on the day you apply for the Age Pension. You also need to have been an Australian resident for a total of 10 years, with at least 5 years in one period.

Not an Australian resident? You may still be eligible in a few circumstances. Visit Centrelink website for details.

<sup>1</sup> Source: Australian Institute of Health and Welfare 2021.

Find out if you're eligible for the Government Age Pension.  
Try our online guide at [australiansuper.com/gap](https://australiansuper.com/gap)



### Assets test

The Assets test allows you to have a certain level of assets before it affects your Age Pension payments. If you have assets higher than this level, you may still receive a pension, but it will reduce by \$3.00 per fortnight for every \$1,000 you have above the limit. This is called the taper rate. If you don't own your home, you can have more assets before your pension is affected.

From 20 March 2023	To receive the maximum Age Pension, your assets must be less than:	You won't receive the Age Pension if your assets are more than:
Single homeowner	\$280,000	\$634,750
Single non-homeowner	\$504,500	\$859,250
Couple <sup>1</sup> homeowner	\$419,000	\$954,000
Couple <sup>1</sup> non-homeowner	\$643,500	\$1,178,500

### Income test

The Income test allows you to earn up to a certain level of income before it affects your Age Pension payments. If you earn more than this level, the pension will reduce by 50c for a single person and 50c per couple for every dollar of income above the limit.

From 20 March 2023	To receive the maximum Age Pension, your income must be less than:	You won't receive the Age Pension once your income reaches:
Single	\$190 a fortnight	\$2,318 a fortnight
Couple <sup>1</sup>	\$336 a fortnight	\$3,544 a fortnight

The Work Bonus scheme may reduce the amount of this income that's assessed under the Income test.

<sup>1</sup> Different limits apply for couples separated due to illness.

Source: Services Australia, 20 March 2023. Centrelink generally updates the asset and income test limits in July, and Age Pension amounts are updated in March and September each year. Please refer to [servicesaustralia.gov.au](https://servicesaustralia.gov.au) for further information and up-to-date figures. Asset figures for a couple are combined, not per person.



### Work Bonus for working longer

The Work Bonus is a Government incentive to keep older Australians in the workforce. It lets you earn up to \$300 a fortnight and save any unused amount up to a maximum of \$11,800<sup>1</sup> each year before your Age Pension payments are reduced.

This amount is not counted under the Income test. So if you keep working part-time, you could supplement the Age Pension and use less of your super.



<sup>1</sup> From 1 December 2022 to 31 December 2023. From 1 January 2024, this amount will change to a maximum amount of \$7,800 each year.

## Help and support

Here are a few ways the Government provides financial assistance to eligible Australians.

### Pensioner Concession Cards

If you qualify for the Government Age Pension (or certain other Government payments), you'll also receive a Pensioner Concession Card which can be used for:

- discounts on prescription medicines via the Pharmaceutical Benefits Scheme (PBS)
- bulk billing for doctor's appointments (if you see a doctor who bulk bills)
- more refunds for medical expenses through the Medicare Safety Net
- access to hearing services through the Office of Hearing Services.

Depending on where you live, you may also receive:

- reductions on property and water rates, energy bills and motor vehicle registration
- a telephone allowance
- reduced fares on public transport, and free rail journeys
- eligible people also get discounts to redirect their mail through Australian Post.

### Commonwealth Seniors Health Card

If you don't qualify for a Government pension, you still may be eligible (depending on your income) for a Commonwealth Seniors Health Card, which still gives you some of the benefits listed above.

### Rental assistance for non-homeowners

If you qualify for Government support and don't own your own home, you may be able to apply for rental assistance. How much you're eligible for depends on your family situation, for example whether you are single or a couple; whether you have dependent children and if so, how many.

Find out more at [servicesaustralia.gov.au](https://servicesaustralia.gov.au)



### Seniors Cards for your state

Seniors Cards are generally available to Australian residents aged 60 and over who are not working full-time, regardless of income. The cards provide discounts on goods and services like transport, accommodation, restaurants, entertainment, financial products, furniture and electrical goods.

Each State and Territory Government issues its own Seniors Card and determines who's eligible. Contact your local office to apply for a card today.

State	Phone	Web
NSW	13 77 88	<a href="http://service.nsw.gov.au/transaction/apply-nsw-seniors-card-or-nsw-senior-savers-card">service.nsw.gov.au/transaction/apply-nsw-seniors-card-or-nsw-senior-savers-card</a>
ACT	02 6282 3777	<a href="http://actseniorscard.org.au">actseniorscard.org.au</a>
VIC	1300 797 210	<a href="http://seniorsonline.vic.gov.au/seniors-card">seniorsonline.vic.gov.au/seniors-card</a>
SA	1800 819 961	<a href="http://sa.gov.au/topics/family-and-community/seniors/seniors-card">sa.gov.au/topics/family-and-community/seniors/seniors-card</a>
TAS	1300 135 513	<a href="http://seniors.tas.gov.au">seniors.tas.gov.au</a>
WA	(08) 6551 8800 (metro) 1800 671 233	<a href="http://seniorscard.wa.gov.au">seniorscard.wa.gov.au</a>
QLD	13 74 68	<a href="http://qld.gov.au/seniors/legal-finance-concessions/seniors-card">qld.gov.au/seniors/legal-finance-concessions/seniors-card</a>
NT	(08) 8999 5511	<a href="http://nt.gov.au/community/seniors">nt.gov.au/community/seniors</a>



# Get the right advice

Now that you're approaching the next chapter of your life, it's a good idea to get some advice about your finances. This way you can plan ahead.

## Putting you first

Financial advisers who work with AustralianSuper are required to:

- act honestly, with integrity, and in your best interest at all times
- obey all relevant laws including the Financial Planner and Adviser Code of Ethics
- comply with industry standards and community expectations of professional practice and conduct
- maintain a program of ongoing professional development
- provide advice on a fee-for-service basis only after agreement with you
- help you make alternative arrangements if it's in your best interests to receive advice from another provider or it's not in your best interests to keep your AustralianSuper account.

## How your adviser can help

To help you live the life you want, your adviser can help you:

- budget and manage your money
- choose the right investment strategy
- plan for your retirement
- select insurance cover to protect you and your family
- make the most of your super.

# Help and advice

We have a mix of advice options to help you every step of the way.

You can access general information at no additional cost. For broader advice, meeting face-to-face, over the phone or online with an adviser can help when you want a detailed financial plan and have a number of financial matters to think about.



## Online

**[australiansuper.com](https://australiansuper.com)**

For general information.

### How it works

Contact us through **Live Chat** at **[australiansuper.com](https://australiansuper.com)** or via our app, for general information about your super. To check out our online calculators to help you plan for a better future, visit **[australiansuper.com/calculators](https://australiansuper.com/calculators)**

If you're simply after some more information on your advice options, visit **[australiansuper.com/advice](https://australiansuper.com/advice)**

### How much it costs

No additional cost.



## Simple<sup>1</sup>

For general information or simple, personal advice over the phone.

### How it works

Call us on **1300 300 273**, and ask to speak with a member of the advice team for simple, personal advice on

- making an investment choice
- adding extra to your super
- sorting your insurance
- starting a Transition to Retirement Income account
- starting a Choice Income account.

### How much it costs

A small fee may be payable if Transition to Retirement (TTR) or Choice Income advice is given.

<sup>1</sup> Personal financial product advice is provided under the Australian Financial Services Licence held by a third party and not by AustralianSuper Pty Ltd. Some personal advice may attract a fee, which would be outlined before any work is completed and is subject to your agreement. With your approval, the fee for advice relating to your AustralianSuper account may be deducted from your AustralianSuper account subject to eligibility criteria.

**Join Australia's largest super fund today**

Visit **[australiansuper.com/join](https://australiansuper.com/join)** or call **1300 300 273**  
8am to 8pm AEST/AEDT weekdays.





### Comprehensive<sup>1</sup>

For broader personal financial advice.

#### How it works

A financial adviser can speak with you face-to-face about broader financial matters, such as your retirement needs and goals.

And where available, you may have the option to meet with an adviser using a secure video link from the comfort of your own home.

Arrange an appointment at [australiansuper.com/find-an-adviser](https://australiansuper.com/find-an-adviser) or call us on **1300 300 273**

#### How much it costs

In most instances, there is no cost for your first consultation. If necessary, a detailed financial plan called a *Statement of Advice* (SOA), can be provided on a once off fee basis. A fee is negotiated between you and your financial adviser, but may be able to pay for some advice relating solely to your AustralianSuper account<sup>2</sup>.



### Webinars

When it comes to retirement, a little bit of learning can go a long way.

#### How it works

Our free online webinars are an easy way to learn about managing your super or planning for retirement. You can access our webinars from the comfort of your own home.

Register at [australiansuper.com/webinars](https://australiansuper.com/webinars)

#### How much it costs

No additional cost.

<sup>1</sup> Personal financial product advice is provided under the Australian Financial Services Licence held by a third party and not by AustralianSuper Pty Ltd. Some personal advice may attract a fee, which would be outlined before any work is completed and is subject to your agreement. With your approval, the fee for advice relating to your AustralianSuper account may be deducted from your AustralianSuper account subject to eligibility criteria.

<sup>2</sup> Some conditions apply.

# We're here to help

Have a general enquiry about  
super and planning for retirement?

Call **1300 300 273**

8am to 8pm AEST/AEDT weekdays

Visit **australiansuper.com**



## Important information

This document has been prepared and issued in April 2023 and is subject to change.

This may include general financial advice which doesn't take into account your personal objectives, financial situation or needs. Before making a decision consider if the information is right for you and read the relevant Product Disclosure Statement, available at [australiansuper.com/pds](https://australiansuper.com/pds) or by calling **1300 300 273**. A Target Market Determination (TMD) is a document that outlines the target market a product has been designed for. Find the TMDs at [australiansuper.com/tmd](https://australiansuper.com/tmd) AustralianSuper Pty Ltd ABN 94 006 457 987, AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898.

Online calculators allow you to explore your potential options in more detail. The financial outcomes provided by our online calculators should be read together with the relevant Product Disclosure Statement. These outcomes are reliant on the accuracy of the information you have entered and before taking action you will need to consider the appropriateness of the financial outcomes, taking into account your objectives, financial situation and needs.

Readers Digest Most Trusted Brands – Superannuation category winner for ten years' running 2013–2022, according to research conducted by independent research agency Catalyst Research. AustralianSuper received the Canstar Outstanding Value Award – Superannuation in 2022 and Outstanding Value Award – Account Based Pension in 2022. Awards and ratings are only one factor to be taken into account when choosing a super fund [canstar.com.au/star-rating-reports/superannuation](https://canstar.com.au/star-rating-reports/superannuation)