

Accessing your super under financial hardship

1 July 2024

All our forms and publications are available at spiritsuper.com.au/forms or call us on 1800 005 166, and we'll send you a copy.



Accessing your super

You can generally access your super when you:

- turn 65 (even if you're still working)
- are aged between 60 and 65 and are permanently retired
- you stop working for an employer (even if you're still working for another employer) on or after turning age 60
- are aged between 60 and 65 and choose to start a transition to retirement income stream while still working.

These are called 'conditions of release'.

While most people access their super when they retire, there are times when you can access it earlier.

Withdrawing your super early

Life doesn't always go to plan. If something goes wrong, you may be able to access some or all of your super to get through tough times. This includes if you:

- experience severe financial hardship
- meet certain compassionate grounds
- have a terminal medical condition
- suffer a permanent incapacity
- suffer temporary incapacity (in this case you may be able to access an insured benefit only, if you have income protection cover and are eligible for the benefit).

The process for accessing your super under these conditions is different to 'normal' withdrawals. This fact sheet only provides details on severe financial hardship. For details on the other early release conditions, read our *Early access to your super* fact sheet.

Penalties apply if you illegally withdraw your super early.

Things to consider before withdrawing super

You should consider the following before making a withdrawal:

- Any insurance attached to your account will be cancelled if you close your account.
- To keep your Spirit Super account open, you must leave at least \$200 in the account. We may adjust any withdrawal amounts to meet this requirement.
- If you access your super early, you may have less money in retirement.
- Part withdrawals are paid in line with your chosen future transaction investment strategy. For example, if your chosen investment strategy for contributions and other transactions is split equally between two investment options, the withdrawal will be made in equal proportions from these investment options.
- If you want to claim a tax deduction or split your contributions with your spouse, do this before withdrawing all or part of your super. These options aren't available for contributions you've withdrawn from Spirit Super.

! Regardless of how and when you access your super, you should get advice from a licensed financial adviser first to confirm if a withdrawal will have tax or social security implications. If you're under 60, you may have to pay tax.

How long will it take to get my money?

Once we've received all required information, we'll assess if you're eligible within five working days, with payments made within three business days from confirmation of your eligibility.

This is general information only and doesn't take into account your objectives, financial situation or needs. Before making a decision about Spirit Super, you should consider if this information is right for you and read our *Product disclosure statements*, *Target market determinations* and *Financial services guide*. These are available at spiritsuper.com.au/pds or by calling 1800 005 166. | Issuer is Motor Trades Association of Australia Superannuation Fund Pty Ltd (ABN 14 008 650 628, AFSL 238718), the trustee of Spirit Super (ABN 74 559 365 913). Any advice is provided by Quadrant First Pty Ltd (ABN 78 102 167 877, AFSL 284443) (Spirit Super Advice), which is wholly owned by the trustee. A copy of the *Financial services guide* for Spirit Super Advice is available at spiritsuper.com.au/financial-services-guide or by calling us on 1800 005 166.

Eligibility to claim

There are strict government rules about withdrawing your super for severe financial hardship.

You must meet **ALL** of the requirements, under either category A or category B below:

Category A

- I haven't received a financial hardship payment from any super fund in the last 12 months
- I've been a member of Spirit Super for at least three months
- I've received eligible Commonwealth income support payments for a continuous period of at least 26 weeks and I'm still receiving payments and
- I'm unable to meet reasonable and immediate family living expenses.

OR

Category B

- I'm unemployed or work less than 10 hours each week
- I've received eligible government income support payments for a cumulative period (not necessarily a continuous period) of at least 39 weeks since reaching age 60.

If you don't meet all the eligibility requirements under either category A or category B, you aren't eligible for a financial hardship withdrawal.

You must be receiving income support payments.

We can't pay a financial hardship benefit if you haven't received eligible income support payments for the required period shown above. We verify this with Centrelink/Department of Veterans' Affairs before approving your payment.

How much can you apply for

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The amount you can apply for depends on which category you're applying under.

The approved amount may be reduced by tax if you're under 60.

Category A

- The most you can withdraw is \$10,000 before tax.
- The minimum amount you can receive is \$1,000 after tax, or the balance of your account if it's less than \$1,000.

We may adjust your requested amount to meet these requirements.

You can only receive one financial hardship payment from super (across all funds you participate in) in a 12-month period. If you've already received a payment from either Spirit Super or another super fund in the previous 12 months, you aren't eligible for another payment, even if you withdrew less than the maximum amount allowed.

Category B

- You can apply to withdraw your whole account balance.

Tax on withdrawals

If you're under 60, you may pay tax on super withdrawals. If you're 60 and over, super withdrawals are tax-free.

Super accounts are made up of a tax-free component and a taxable component. When you access super, the amount withdrawn is paid proportionately from both components (you can't choose which component your withdrawal is paid from).

You can check the tax components for your balance in **Member Online** or by contacting us.

Taxes are generally deducted from your payment before you receive it.

Your age	Tax on the tax-free component	Tax on the taxable component ¹
Under 60.	Nil	Your marginal tax rate or 22%, whichever is lower. We'll deduct 22% at the time of the payment. If your marginal tax rate is lower, you may get some of this tax back when you lodge your personal income tax return.
60 and over.	Nil	Nil

¹Tax rate includes the Medicare levy. This table shows the tax rates applied to withdrawals with a taxed element. If your taxable component includes an untaxed element, additional tax may be applied to that element.

For more information, read our *How super is taxed* fact sheet.

How to apply

Financial hardship applications can be made directly to Spirit Super.

You can apply to access your super under financial hardship:

- by completing an *Apply to access your super under financial hardship* form
- by calling us on **1800 005 166**.

! If your application will result in the closure of your account, you'll need to complete the *Apply to access your super under financial hardship* form.

! Beware of scammers trying to access your super

What else should I know?

You may want to seek personal advice from a qualified financial planner before applying for early access to your super.

Releasing your super early may count towards your assessable income for income tax purposes. This can affect your family tax benefit or child support (if applicable).

You may have to pay tax on your withdrawal, depending on your circumstances. For more information, call us on **1800 005 166** or refer to the ATO website at ato.gov.au.

More information

1800 005 166
+61 3 7042 2723 (if overseas)
info@spiritsuper.com.au
spiritsuper.com.au

GPO Box 1547
Hobart TAS 7001

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Apply to access your super under financial hardship

1800 005 166
info@spiritsuper.com.au
GPO Box 1547, Hobart TAS 7001

Important information

If you're experiencing financial hardship you may be able to access some or all of your super to meet your immediate needs.

Things you should know:

- Your insurance will cease if you close your account.
- Part withdrawals will be paid in line with your chosen future transaction investment strategy.
- If you want to claim a tax deduction or split your contributions, do this before submitting this form. These options aren't available for contributions you've withdrawn from Spirit Super.
- You should seek personal advice to confirm if this payment will have tax or social security implications.

Once we've received all required information, we'll assess if you're eligible within five working days, with payments made within three business days from confirmation of your eligibility.

Section 1 Are you eligible for a financial hardship payment?

You must meet **ALL** of the requirements under either category A or category B below.

Category A

- I haven't received a financial hardship payment from any super fund in the last 12 months
- I've been a member of Spirit Super for at least three months
- I've received eligible Commonwealth income support payments for a **continuous period of at least 26 weeks** and I'm still receiving payments and
- I'm unable to meet reasonable and immediate family living expenses.

I confirm I meet all the requirements listed in Category A.

OR

Category B

- I'm unemployed or work less than 10 hours each week.
- I've received eligible government income support payments for a **cumulative period of at least 39 weeks** since reaching my preservation age.

I confirm I meet all the requirements listed in Category B.

Date of birth	Preservation age
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
After 30 June 1964	60

To be eligible for a financial hardship withdrawal you must tick the box confirming your eligibility under either Category A or Category B.

We can't pay a financial hardship benefit if you haven't received eligible income support payments for the required period shown above. We verify this with Centrelink/ Department of Veterans' Affairs before approving your payment.



Section 2 Your details

Member number

Account number

Date of birth (DD MM YYYY)

Last name

Given name/s

Residential address

Suburb/Town/City

State

Postcode

Preferred phone

Email

Do we have your tax file number (TFN)?

Yes

No, but here it is:

You don't have to provide your TFN, but you may pay extra tax, miss out on government incentives and you can't make personal contributions. Refer to our *How super is taxed* fact sheet available at spiritsuper.com.au/pds for more information.

Section 3 How much do you want to apply for?

The amount you can apply for depends on which category you're applying under. You told us your category in section 1.

Category A: the most you can withdraw is \$10,000 (before tax).

Category B: you can withdraw your whole account balance.

How much do you estimate will help with your current financial hardship?

my full account balance

This will close your account and any insurance cover will end. The final amount paid may vary due to investment earnings, tax and fees.

OR

an amount of: \$ (before tax).

- The approved amount paid may be reduced by tax if you're under 60.
- The amount must be greater than \$1,000.
- You need to leave at least \$200 in your account to keep it open.
- We may adjust the specified amount to meet these requirements.

Section 4
Payment details

Provide your bank account details below. We'll send you a cheque if this section is left blank.

Account holder's full name – eg Jane Smith. The account must be held solely or jointly in your name. Payments can't be made to business accounts or third parties.

BSB number

Account number

Section 5
Provide proof of identity

Please verify your identity by choosing option 1 or 2.

Option 1 – I want to use electronic verification

By completing this section, I authorise Spirit Super to use my details held for the purpose of confirming my identity. I understand that my details will be checked with the relevant official record holder through the use of third party systems.

Important: Make sure that the details you provide below exactly match your documents. If the details vary, we won't be able to verify your identity electronically.

Provide details of any TWO of the following:

1. Australian driver's licence

Full name as appears on my driver's licence

My Australian driver's licence number

State of issue

Expiry date (DD MM YYYY)

Card issue number

2. Medicare card

Full name as appears on my Medicare card

My Medicare number

Valid to (MM YYYY)

Colour of card

Green

Yellow

Blue

Your reference number on this card is

3. Australian passport

Full name as appears on my passport

My Australian passport number

Option 2 – I want to use paper-based verification

I've provided certified proof of identity with this form. See the *Guide to providing proof of ID* fact sheet for more information.

I authorise Spirit Super to use my personal details for the purpose of confirming my identity if the paper copies of my certified identification documents are incorrectly certified, scanned or unable to be read. I understand that my details will be checked with the relevant official record holder through the use of third party systems.

