



Fact Sheet 16: Early access to superannuation

Although you can't usually access your superannuation until you are at least 55 years old, you can apply for the early release of some or all of your superannuation if:

- you can demonstrate to Centrelink that a **“compassionate ground”** applies to you (you do not have to be in receipt of Centrelink benefits to apply on this basis); or
- you are experiencing severe **financial hardship** and have been in receipt of a Centrelink benefit for at least 26 weeks; or
- you are suffering from a **terminal illness**; or
- you are experiencing **temporary or permanent incapacity**; or
- your superannuation balance is **less than \$200**; or
- you are a **temporary resident departing Australia permanently**.

1. Early access because of a 'specified compassionate ground/s'

The law provides for the early release of superannuation where a person can establish **one** of the following “compassionate grounds”:

1. **medical treatment** for yourself or your dependant;
2. **transport costs** for you or your dependant to access medical treatment;
3. **mortgage assistance** to prevent your bank or lender repossessing or selling your home;
4. **modifications to your home and/or motor vehicle** to accommodate a severe disability suffered by yourself or a dependant;
5. **care for a dependent with a terminal medical condition**;
6. **funeral expenses** for you to pay for expenses associated with a **dependant's death, funeral or burial**; or
7. the person is suffering from a **terminal illness** and requires care.

2. How to apply for early release of super on compassionate grounds

You will need to apply through the Australian Taxation Office (ATO). The application process is a 3 stage process:

1. Apply using the ATO's online form. The ATO will assess your eligibility for compassionate release of superannuation, which can take up to 14 days. Once your application is assessed, a message will be sent to your myGov inbox with the outcome. If your application is successful, your super fund will be notified.
2. If your application is approved, you must contact your super fund to arrange release of your money. You will need to provide the fund with a copy of the approval letter to process your payment.
3. Pay the expenses you need to pay and keep your receipts.

To access your superannuation early on compassionate grounds you must apply online. If you cannot apply online phone the ATO on 13 10 20.

3. Early access because of severe financial hardship

There are two ways you may be eligible for early access to your super if you are suffering severe financial hardship. You will need to contact your super fund directly to find out their application process.

Type A: To show “severe financial hardship” you must:

1. have been receiving payments from Centrelink for **26 weeks**;
2. be receiving Centrelink payments at the time you apply to Centrelink for early access to your superannuation; and
3. be unable to meet “reasonable and immediate family living expenses” (ie you do not have enough money or assets to pay for the basic necessities of everyday living).

Type B: You can also show severe financial hardship if you:

1. have reached your “preservation age” (between 55 and 60 years);
2. have been receiving payments from Centrelink for **39 weeks** after reaching your preservation age; and
3. are not employed full-time or part-time.

If you are granted early access to your super, you must notify Centrelink.

4. Early access because of terminal illness

You can apply to your superannuation fund for early access to your superannuation if you have a medical condition that is likely to result in your death within the next 24 months. You will need to provide medical evidence from two medical practitioners (one must be a specialist).

5. Early access because of incapacity

You can apply to your superannuation fund for early access to your superannuation if you can demonstrate that you have suffered either:

- **permanent incapacity** – you have a physical or mental medical condition that is likely to stop you from ever working again in a job you were qualified to do by education, training or experience; or

- **temporary incapacity** – you are temporarily unable to work, or need to work less hours, because of a physical or mental medical condition.

You will need to provide medical evidence from two medical practitioners (one must be a specialist).

6. Accessing a superannuation balance of less than \$200

If the balance of your superannuation account is less than \$200, you may be able to apply to your superannuation fund to claim the balance of your account simply because you wish to access it.

7. Departing the country

You can claim all of your superannuation if:

- you are not a permanent resident of Australia (or a citizen of New Zealand); and
- when you visited Australia your visa was temporary; and
- you have left Australia; and
- your visa is no longer valid.

8. Death Benefit

If you are the dependent of a person who has died you may be eligible to receive all or a portion of the deceased person’s superannuation benefit and any life insurance. You should check with the deceased person’s superannuation fund to find out if you were their ‘nominated beneficiary’.

9. Total and Permanent Disability Insurance

Some super funds provide their members with total and permanent disability insurance. This provides you cover if you become totally and permanently disabled. Talk to your super fund to find out whether you have this insurance, the eligibility requirements and how you can make a claim.

Contact Street Law on (02) 6218 7900 for more information.