



Super and us mob



ASIC's
MONEYSMART
Financial guidance you can trust



Australian Government
Australian Taxation Office



About ASIC and MoneySmart

The Australian Securities and Investments Commission (ASIC) regulates financial services.

ASIC's MoneySmart website is designed to help you make smart choices about your personal finances. It offers calculators and tips to give you fast answers to your money questions.

Visit moneysmart.gov.au or call ASIC on 1300 300 630 or ASIC's Indigenous Helpline on 1300 365 957.

About this booklet

This booklet helps you understand super and how to get the most out of it for you and your family.

If things go wrong

If you are having problems with money or your health and need to get your super early, see page 19.

If you are having problems getting your boss to pay your super, finding lost super or getting a tax file number, call the Australian Taxation Office's Indigenous Helpline on **13 10 30** or visit ato.gov.au.

If you are in financial trouble, a financial counsellor can help. Call the National Debt Helpline on **1800 007 007** to talk to a financial counsellor.

If you disagree with a decision a super fund has made, and would like to complain, see page 22.



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What is super?

Superannuation is a way of saving money while you are working so that you and your family will have money when you retire.

Your boss pays your super into a fund and it is the fund's job to look after this money and invest it until you retire.



Super basics

- ▶ **Super is on top of what you earn** – If you are over 18 and earn at least \$450 per month (before tax), your boss must pay an extra 9.5% on top of your wages into a super fund. This is called the super guarantee. (If you are under 18, you also need to work more than 30 hours a week to get super.) So, if you earn \$25,000 per year before tax, your boss must pay \$2,375 into your super account. The super guarantee is gradually increasing to 12% in the coming years.
- ▶ **Watch your money grow** – During your working life, your super will grow so that you will have money for your retirement. The super fund will add investment returns to your super, and take out fees and charges for administration, any insurance premiums, and tax.
- ▶ **Insurance** – Most super funds offer insurance for an extra fee so your family can get some money when you pass away or if you are too sick or injured to work.



Make sure you are being paid super

Getting super is your legal right. To make sure your super is being paid, you can:

- ▶ **check your payslip** – It should show how much super you are being paid
- ▶ **talk to your boss** – Ask how often they are paying your super, how much they are paying, and which fund it is going into
- ▶ **check with your fund** – Call your super fund to check whether your boss has been paying your super
- ▶ **sign up for a myGov account** – Create an account at **my.gov.au** and link it to the Australian Taxation Office (ATO) to see how much has been paid to your super fund. You will also see the details of any other super funds you have
- ▶ **contact the ATO** – If you're still not sure if your boss is paying enough super, visit **ato.gov.au** or call the ATO's Indigenous Helpline on 13 10 30.

Case study

Bec asks her boss about her super

I've been working in a café for a while and I know I'm meant to be getting super on top of my wages. When I asked my boss about it, she said she was paying my super every month and gave me the name of the super fund. I called them and found out I have about \$3,000 in my super account. I'll get a statement every year so I can check how it's growing. I'm glad I spoke to my boss because now I know more about my super.



Choosing a super fund

Most workers can choose their own super fund. This means you can choose a fund that works best for you, like one with low fees and insurance that suits your needs.



To find out if you can choose your fund, call the Australian Taxation Office (ATO) on **13 10 30** or visit **ato.gov.au**.

Starting a new job and super

When you start a new job, you need to fill in forms to choose a super fund. You can join your employer's standard fund, stay in your existing super fund, or start with a new fund.

If you're not sure whether you already have a super fund, you can check online using your myGov account. Log in to the myGov website and create an account, then link it to the ATO. Then you'll be able to see all your super funds in one place.

Smart tip



A good time to think about super

Starting a new job is a good time to check all your different super accounts from past jobs and choose the best super fund for you. Make sure you don't lose insurance or other features you might want. Contact your super fund or a Financial Information Service officer at your local Centrelink office, if you need help.

ASIC's MoneySmart website has tips on how to compare super funds and pick the right one for you. Visit **moneysmart.gov.au**



How to choose a super fund

Tell your boss which fund to pay your super into by filling in a 'standard choice form' from the Australian Taxation Office (ATO). Ask your boss for a copy of this form.

Make sure your super goes to the fund you choose. Your boss can give you general facts about super, but can't tell you which fund is best for you.

What if you don't want to choose a fund?

If you don't choose a super fund, your boss will pay your super into a MySuper account with basic insurance and low fees.

Case study

Travis chooses a super fund

I've started a new job as a health worker and I need to let my boss know, in writing, which super fund I have chosen. I can go with my employer's fund or choose my own. I am looking for a fund that has low fees and good insurance cover.



Super and your ID

If you are trying to access your super or look for lost super, you will need to prove your identity. To do this, you may need your tax file number (TFN), your birth certificate, driver's licence or other documents that prove who you are.

Sometimes these documents can be hard to find, and your name might be spelt slightly differently on each document.

It will be easier to prove who you are if you:

- ▶ **keep identity and tax documents** – Store them in a safe place and make sure your family know where they are
- ▶ **use the same name** – Try to use the same name and spelling when filling in important forms.



Smart tip



Get a tax file number (TFN)

If you work or receive a Centrelink benefit, you will need a TFN. A TFN is given to you by the Australian Taxation Office (ATO) to manage your tax and super. Everyone gets their own TFN and it's yours for life and you should be the only one who uses it.

If you don't have a TFN or you don't know what your TFN is, call the ATO's Indigenous Helpline on **13 10 30**.



Super and your tax file number (TFN)

Make sure your super fund has your TFN because:

- ▶ it will be easier to find any lost super
- ▶ you won't pay more tax than you need to
- ▶ it will be easier to get any government contributions (see page 10).

Even though your boss is meant to pass on your TFN to your fund, some bosses don't, so always check your annual super statement or call your fund to make sure they have your TFN.

Case study

Jill starts a new job

Starting my new job at the local store means filling in heaps of forms. But I know I have to give my boss my tax file number and they'll pass it on to my super fund. Otherwise, I could end up paying a lot more tax than I need to. I found my TFN on an old letter from the ATO. I've put all my important documents in a safe place at home so I can find them when I need them next.



Putting extra money into your super

If you can spare some extra money now, you can put it into your super fund so you will have more when you retire.

Super co-contribution

If you put more money in, you might get extra money from the government for your super. This is called the 'super co-contribution'. The government will pay this money straight into your super fund.



Low income super tax offset (LISTO)

If you earn less than \$37,000 you may also get a 'low income super tax offset' of up to \$500 from the government every year. You will get this whether or not you add extra money to your super. The Australian Taxation Office will automatically make these payments into your super if you meet the criteria. However, government policy about this contribution is subject to change, so visit ato.gov.au to find out the latest information.

Smart tip



Check you can spare the money

If you're thinking of putting some of your own money into your super, make sure you can spare it. Once you have put extra money into super, you usually can't touch it until you retire.



Case study

Aunty Kelly puts extra into her super

I've been teaching at my local primary school for 14 years, and I'm starting to think about retirement. I heard that if I put some of my own money into my super fund, the government will put some in, too. It's called a super co-contribution. I reckon I might do this. It'll help me live more comfortably when I retire.



Keeping track of your super

It's important to keep track of your super, especially if you have more than one job or change jobs.

Ask your boss which super fund your super is going into. If you don't choose a fund, your boss will pay your super into a MySuper account.



Check your yearly super statement

Each year you should receive a super statement from every fund you belong to. Keep your statements because they tell you important facts about your super.

Smart tip



Check your super fund has your address

If you don't get a super statement in the post or by email once a year, your super fund may not know your current address. Find out who your super fund is by asking your boss and call them to update your details.



Finding lost super

If you've ever changed your name, address or job, you may have lost track of some of your super. Having more than one super account could mean you are paying more fees and charges than you need to, which will mean you get less when you retire.

Here are some ways to find your lost super:

- ▶ **Link your myGov account to the Australian Taxation Office (ATO)** – This will let you see details of all your super accounts, as well as any ATO-held super, which is money being held for you because your boss or the government couldn't find an account to transfer your super to.
- ▶ **Check with your previous bosses** – Ask them which fund your super was paid into, then contact each fund.

Your boss was probably not required to pay super before 1992, so you may not have any super from jobs you had before this time.

Tips for finding the super of a family member who has passed away are on page 21.

Case study

Cousin Stan checks his super

I work on the fishing boats and get paid by different people. I keep my pay slips even though sometimes I have to chase them up, but I'm not sure about my super.

I'm going to ask my bosses what funds they pay my super into, so I know what's going on. It would be good to bring all my super together into just one fund so it's easier to keep track of. Also, I'll only have to pay one lot of fees. But I need to make sure I pick a good fund for me. If I need help moving my super into one fund, I'll talk to a financial counsellor. They can also give me more information about my super funds so I can decide which one I want to keep.



Putting all your super into one fund

If you have more than one super account, you might want to bring your money together into one fund. This makes it easier to keep track of, reduces paperwork and saves on fees.

Here's what to do:

- 1. Choose one fund** – Decide which super fund you want to keep. Visit **moneysmart.gov.au** website for tips on how to compare funds and find a good one for you.
- 2. Tell your employer** – Then they will know where to pay your super.
- 3. Contact the fund you want to move to** – Tell them you want to transfer super from other accounts into their fund. You will need to send a form to each fund you're closing along with identification. The fund you are staying with should be able to help you do this.



You can also use your myGov account linked to the ATO to move your super into one account.

If you're planning to move your super from one fund to another, check first to see if you'll have to pay an exit fee to leave the fund. You should also check what insurance cover you have in each super fund, because if you close a fund, you will lose this insurance. A free financial counsellor can help you find out what insurance cover you have with your super funds.

Financial counsellors can't tell you which fund is best for you, but they can help you get the information you need to make this decision.



Fees and charges

Super funds charge you for the services they provide. There are different types of fees, like administration and investment fees, as well as indirect costs. All funds charge fees but some cost less than others.

Find out what fees the funds are charging and compare them before you decide which one to go with. Try ASIC's MoneySmart **super calculator** to see how fees can affect your super.

When you change jobs

If you change jobs, or have more than one job, you can generally choose to have all your super paid into a single super fund (see page 6).

Case study

Tahlia sorts out her super

I have had a few different jobs over the years and my super is in different accounts. I decided it was time to get it all in one place. It was much easier than I expected. I signed up for a myGov account and I could see all of my super funds in one place. I put them all in one fund and now I pay less fees, which means I'll have more money when I retire, and it's easier to keep track of my super.



Life insurance through super

Most super funds offer life insurance so your family will get a payout when you pass away, or if you are too sick or injured to work.

If you have life insurance, you will pay regular amounts called premiums, which come out of your super.

You may lose your insurance cover if you move to a different fund, leave your job, or your boss stops making your super payments.

Check your insurance cover

Find out how much insurance cover you have by calling your super fund. They will tell you the amount your family will get if anything happens to you. You will need to decide if this amount is enough to look after anyone who depends on you if you can't work.



Getting help with your insurance

Super and insurance can be tricky because the type of insurance cover and the cost of insurance is different for each fund. If you need help to work out the best insurance for you or to make an insurance claim, talk to your super fund, a local legal service, a financial counsellor or a Financial Information Service officer at your local Centrelink office.

Case study

Uncle Danny checks his insurance

I became a grandpa for the ninth time yesterday! Real proud grandpa I am. I reckon it's time I checked that my family will be ok if something happens to me. The other day my boss had a yarn about that super stuff and I found out that I get insurance with my super.

I'm going to call my super fund to find out how much it costs to get enough insurance cover for me and my family. If I'm not happy with their answer, I'll think about changing my super fund.



Smart tip



Check your insurance cover

Before signing up for separate life insurance or income protection, check if you already have cover with your super fund. This will save you paying two lots of premiums for insurance cover.

Getting your super

When you turn a certain age and retire, you can get the super that has been saved over your working life. To be retired, you must work less than 10 hours a week.

Look for your date of birth in the table below to find out when you can get your super.



Your date of birth	Age you can get your super (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
From 1 July 1964	60

The age that you can get your super can change, so use ASIC's MoneySmart **super and pension age calculator** for the most recent information.

Planning your retirement

Working out how much money you'll have when you retire is important. When you retire, you can choose to get your super as a lump sum, a regular income stream (for example, \$400 a month), or a combination of both. ASIC's MoneySmart **retirement planner** can help you work out what income you'll have in your retirement.

You can also get free help from a Financial Information Service officer at your local Centrelink office.



Getting your super early

There are very strict laws about when a fund can release your super. You will only be able to get your super early for these reasons:

- ▶ **Incapacity** – You are not able to work because of a physical or mental medical condition.
- ▶ **Severe financial hardship** – You have received Centrelink benefits for 26 continuous weeks and are still not able to meet your immediate living expenses.
- ▶ **Compassionate grounds** – You need to pay for medical costs, modify your home or vehicle for a severe disability, stop your home being sold, or pay for the funeral of a dependant.
- ▶ **Terminal medical condition** – If you have an illness or injury and doctors have told you that you are likely to pass away within 24 months.



For more information, call the Australian Taxation Office (ATO) on 13 10 20 or visit ato.gov.au and search for 'early access to super'.

Before you talk to your super fund about getting your super early, talk to a financial counsellor. They might be able to explain your other options.



Important

Stay away from dodgy people who tell you they will help you get your super early for a fee. These are scams. Some people have lost all their super savings and risked paying extra tax because they got caught up in one of these scams. Report anyone who tries to get your super out early for a fee to ASIC's Indigenous Help Line on **1300 365 957**.

What happens to your super when you pass away?

There are two ways to pass on your super:

- ▶ **Tell your fund** – Tell the fund who you want your super to go to by filling out a 'binding nomination form'. The person or people you nominate must be your dependants or the legal representative of your estate. If you nominate anyone else, the fund may decide not to pay them your super. Not all funds offer binding death benefit nominations.
- ▶ **Let the fund pay one or more of the people eligible to receive your death benefit** – If you have not told the fund who to pay your super to, it will pay either your dependants or the legal representative of your estate, according to super laws and rules of the fund. Some funds let you suggest who they should pay in these circumstances, but they don't have to follow your instructions.



It is worth talking to your fund about where you want your money to go and what they can do to help you.

This is an important decision. You can get help from a Financial Information Service officer at Centrelink or get legal advice.

Smart tip



Who are dependants?

Dependants are your children, your spouse (e.g. husband, wife, de facto or same sex partner) and other people who rely on you for financial or personal support.



What will be paid out?

The super fund will pay out the money in your super account, as well as any life insurance you had with your super. This is called your 'death benefit'.

Case study

Natalie cares for her nephews

I've been looking after my two nephews since their mum passed away. I want to make sure those young fellas will be treated like my other kids if anything happens to me, so I called the super fund. They sent me a binding nomination form and I nominated my husband, three kids and two nephews. This way there'll be no arguing if I pass away because the super fund will know who I want the money to go to.



Finding the super of a deceased family member

If someone in your family has passed away, contact their super fund to discuss how their super will be paid out. If you don't know the name of their fund, here are some steps to track it down:

- ▶ **Look for documents** – Payslips might tell you the name of their super fund, or any letters from the fund that your relative kept.
- ▶ **Contact their past employers** – They might be able to tell you which fund your family member's super was paid to.
- ▶ **Call the ATO** – Phone the ATO's Indigenous Helpline on 13 10 30 for help finding a deceased family member's super.
- ▶ **Contact APRA** – If the fund is no longer in business, the Australian Prudential Regulation Authority may be able to give you a current contact address. Visit apra.gov.au or call 1300 558 849.

If you have a problem with a super fund

If you disagree with something a super fund does, like how they pay a death benefit, or if there is a mistake or delay with your super, talk to the fund first. You can send them an email or a letter to explain the problem and how you would like it fixed.

If you cannot agree with the fund or they don't respond to you in 90 days, you can complain to the Australian Financial Complaints Authority (AFCA). Go to **afca.org.au** or call **1800 931 678**.

If you're not happy, take action as soon as possible, as time limits may apply.



Where to get more information

Australian Securities and Investments Commission (ASIC)

moneySMART.gov.au or call ASIC's Indigenous Helpline 1300 365 957

Contact ASIC to:

- ▶ get help with any issues you are having with super, including problems proving your identity, working out where your super is, or who you should contact
- ▶ find a free local financial counsellor who can help sort out your super
- ▶ report anyone who tells you they can help you get your super early for a fee.

Australian Taxation Office (ATO)

ato.gov.au or call ATO's Indigenous Helpline 13 10 30

Contact the ATO to get:

- ▶ help if your boss has not paid your super
- ▶ a Tax File Number (TFN)
- ▶ help finding your lost super.



ASIC's

MONEYSMART



ASIC's MoneySmart website has calculators, tools and tips to help you with:

- ▶ Budgeting and saving
- ▶ Loans and credit cards
- ▶ Get help with money
- ▶ Book up
- ▶ Door to door sales
- ▶ Superannuation and retirement
- ▶ Scams
- ▶ Paying for funerals
- ▶ Renting appliances

moneysmart.gov.au

ASIC Indigenous Helpline: **1300 365 957**

ASIC Customer Contact Centre: **1300 300 630**

Disclaimer

Please note that this is a summary giving you basic information about a particular topic. It does not cover the whole of the relevant law regarding that topic, and it is not a substitute for professional advice.

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