

Early Release of Superannuation Benefit on Permanent Incapacity Grounds

Who should use this form?

You should use this form if you have ceased employment and wish to apply for early release of your preserved Northern Territory Government and Public Authorities' Superannuation Scheme and/or Northern Territory Supplementary Superannuation Scheme benefits on the grounds of permanent incapacity.

You should also use this form if you are an NTGPASS member who has been retired from employment on the grounds of invalidity.

Preservation of benefits

Preserved benefits must remain in a superannuation fund until you meet one of the following conditions of release:

- you are aged between 60 and 64 and either:
 - you intend to never again work more than 10 hours per week, or
 - an arrangement under which you were gainfully employed has come to an end
- you have reached age 65;
- you retire on the grounds of permanent incapacity;
- you are diagnosed with a terminal illness; or
- your death.

Note: Once you meet one of these conditions, the whole of your superannuation benefits become non-preserved.

Eligibility for early release

To be granted an early release of your superannuation benefit on permanent incapacity grounds, the Commissioner of Superannuation must be satisfied that:

- you have ceased gainful employment (i.e. working less than 10 hours each week); and
- you are unlikely, because of physical or mental ill-health, to ever again engage in gainful employment for which you are reasonably qualified by education, training, or experience.

If you have been retired from employment on the grounds of invalidity then the Commissioner of Superannuation is already satisfied that you are eligible for early release of your NTGPASS and NTSSS benefits and no further evidence is required.

If you have not been retired on the grounds of invalidity then your application must be accompanied by written evidence as follows:

- A written report from your medical practitioner detailing your present condition and prognosis of your ability to ever again engage in gainful employment for which you are reasonably qualified by education, training, or experience.

- A written report from your specialist medical practitioner detailing your present condition and prognosis of your ability to ever again engage in gainful employment for which you are reasonable, qualified by education, training, and experience.
- Any other supporting documentation regarding your claim.

These reports must be dated within the last six months.

A notification that you have previously been granted a Centrelink disability or sickness benefit is not sufficient to assess your application and will not be accepted unless it is provided *in addition* to the medical reports as noted above.

Any costs associated with obtaining and submitting these reports, including any follow up reports, are the member's responsibility.

Temporary Incapacity

You are not eligible to apply for early release of your superannuation benefits if you are suffering from a temporary incapacity. Temporary incapacity means that you have ceased to be gainfully employed due to ill-health (whether physical or mental), but your condition does not constitute permanent incapacity.

How much can I claim?

If you meet the criteria for early release on the grounds of total and permanent incapacity, you can have your entire benefit paid to you. Depending on your age, there may be a prospective amount payable in addition to your NTGPASS defined benefit entitlement if you are an NTGPASS member who has been retired from employment on the grounds of invalidity. Please note that the prospective amount may be reduced where workers' compensation lump sum or regular payments are payable (including amounts payable under a workers compensation agreement such as a "Hopkins Agreement"). Tax may be deducted from the amount released.

How do I claim my benefit?

Please complete the attached claim form and forward it along with your supporting documentation to the NT Superannuation Office.

We cannot process your application until we have received all the necessary documentation from you, including your identify certification documents (if required).

Processing your benefit

If your application is approved, your benefit will be processed within 30 days of receipt of all required documentation. This includes your identification documents. However, where further information is required, or the form is incomplete, the process may take longer.

Taxation

The NTGPASS and NTSSS employer-financed benefit (less any pre-1983 service and post-94 invalidity component) is a taxable component (untaxed element). Regardless of your age, this component of your benefit will have 15% tax deducted on transfer to a pension or external superannuation fund.

Different tax rates apply when a benefit is paid to your bank account, which varies depending on your age (see Table 2).

Table 2: Taxation of Cash Benefits

Component	Tax applicable
Untaxed element	
Under preservation age	30% up to \$1.780 million
Preservation age to 59	15% up to low rate cap ² 30% over low rate cap ² up to \$1.780 million Top marginal tax rate on excess ³
Age 60 or over	15% up to \$1.780 million Top marginal tax rate on excess ³

1 Plus Medicare Levy (2%).

2 Low rate cap is a lifetime cap and for 2024-25 is \$235 000.

3 Untaxed amounts over \$1.780 million (2024-25) will be taxed at 47%.

Rollovers

You can roll over your superannuation benefit to a complying superannuation fund including a self-managed superannuation fund (SMSF).

Identification requirements

You must provide proof of identity if you are taking any part of your benefit as a lump sum payment. Proof of identity is not required for members who roll over their entire benefit to a complying external super fund. Instead, you will be required to provide your Tax File Number (TFN) which we will validate with the ATO. If you do not provide your TFN, or if it cannot be validated, you will be required to provide proof of identity.

You can provide original or certified copies of identity documents that verify your full name, date of birth and current residential address, for example, your driver licence. If you have changed your name, and your name is now different to the name we have recorded, you will need to provide a document that verifies your change of name.

For a list of acceptable identity documents, please refer to our fact sheet 'Proving Your Identity'. If you provide certified copies of identity documents, you must also get the authorised certifier to complete the form Identity Certification and return it to our office with your application.

More information

We cannot provide personal financial advice. If you require assistance with member investment choice or taxation implications, you can seek the services of a qualified professional.

We have a range of information and fact sheets available to our members. If you have any questions please call this office on (08) 8901 4200 or toll free on 1800 631 630.

Disclaimer

The information made available in this form is provided as a guide only and should not be relied upon for making financial commitments.

The Commissioner of Superannuation and the Northern Territory of Australia accept no responsibility for any losses arising from any use or reliance upon the information or conclusions reached using the information.

Privacy statement

The Northern Territory Superannuation Office is a division of the Department of Treasury and Finance, a Northern Territory Government Agency. The privacy and confidentiality of your personal information is important to the Northern Territory Superannuation Office. We are collecting the information on this form for the purpose of administering your superannuation account.

The information collected will only be used for the purpose for which it was supplied and your information will not be disclosed to any third party unless required by law or authorised by you. To obtain further information about the NT Government privacy policy or the *Information Act 2002*, please visit the Northern Territory Government website at www.nt.gov.au.

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Personal details			
Full Name			
Residential Address			
Postal Address			
Date of Birth		Email	
Phone (b/h)		Mobile	
Member No (AGS)		Tax File Number*	

*Australian legislation authorises superannuation funds to collect your Tax File Number (TFN), which will only be used for lawful purposes. If you do not provide your TFN, your benefit will be taxed at the highest marginal tax rate.

Retirement Declaration
To be granted an early release of your superannuation benefit on permanent incapacity grounds, the Commissioner of Superannuation must be satisfied that:
<input type="checkbox"/> I have ceased gainful employment (i.e. working less than 10 hours each week); and
<input type="checkbox"/> I am unlikely, because of physical or mental ill-health, ever again to engage in gainful employment for which I am reasonably qualified by education, training, or experience.

You can choose <u>one or a combination</u> of payment options			
<input type="checkbox"/> Payment Option 1	Pay my benefit to me in cash – Certified ID required		
Withdrawal amount to be paid net of tax (minimum \$5000):			
<input type="checkbox"/> \$_____ Dollars OR <input type="checkbox"/> my entire benefit			
Payment will only be made by EFT to an Australian bank account. Complete your banking details below.			
Bank, Building Society or Credit Union			
Branch		Account Holder	
BSB Number		Account Number	
You must satisfy a condition of release before you can cash any part of your preserved benefit.			
<input type="checkbox"/> Payment Option 2	Roll over my benefit to an external superannuation fund		
Rollover amount (certified ID required if not rolling over entire benefit):			
<input type="checkbox"/> \$_____ Dollars OR <input type="checkbox"/> my entire benefit <input type="checkbox"/> remainder			
Superannuation Fund Name			
Postal Address of Fund			
Unique Superannuation Identifier (USI)		Membership Number	
Australian Business Number (ABN)		Phone Number of Fund	
SMSF electronic service address*		SMSF BSB*	
SMSF bank account number*		SMSF bank account name*	

*Only complete these fields if you are rolling all or part of your benefits to a Self Managed Superannuation fund(SMSF)

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Member checklist

- I have provided the original or attached a certified copy of my identity document(s).
- I am not currently employed on a full-time or part-time basis i.e. more than 10 hours a week.

Member declaration

I understand that:

- my employer-financed defined benefit will be calculated and paid in line with my instructions over leaf;
- unless I have a Terminal Illness, the untaxed component of my benefit will have tax deducted when it is paid me and/or on rollover to an external superannuation fund;
- for untaxed benefits taken in cash, the 2% Medicare levy will also apply;
- the staff of the NT Superannuation Office can provide me with information regarding the operation of NTGPASS and NTSSS but cannot give me financial advice and that the information provided is a general guide only and does not constitute personal financial advice;
- my chosen payment option cannot be changed once this claim form has been processed;
- the personal details requested on this form will only be used to process my request and to administer my NTGPASS and/or NTSSS account;
- in the event of my NTGPASS and NTSSS payment being returned to the NT Superannuation Office, the original accounts will be re-opened and will be treated as unclaimed employer-financed defined benefits. Employer-financed NTGPASS and NTSSS benefits are not invested; and
- due to changes in the factors used in calculating my actual employer-financed defined benefits, any quote for the amount of my benefit and the actual amount I will receive may vary.

I declare that the statements contained in this declaration are true in every particular and acknowledge that it is an offence under the *Superannuation Act 1986* to give information or documents to the Commissioner of Superannuation that are misleading.

<p>Member signature: _____</p>	<p>Date: _____</p>
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