# What can I do with my super?
## SASS worksheet

How well do you know the rules of SASS?

**Use this quiz to check if you have the same answers to these 5 important questions:**

### 1. Can I increase my contributions to SASS?

**Answer:** Maybe

It depends on your current level of contribution and whether you are a contributing member. If you have deferred your benefit within SASS, then you can no longer make any contributions.

If you are a contributing member and are already contributing at the maximum of 9% of your superable salary, then you can't increase your contributions in SASS. You can, however, top up your retirement savings through salary sacrifice or lump sum contributions to another superannuation account. Just be careful not to exceed the super contribution caps.

If you are contributing between 1-8%, then yes, you can increase your contributions up to 9% in SASS, but you'll need to plan ahead. You only have one opportunity in the weeks leading up to 31 December each year to increase your rate of contribution. Bear in mind that increased contributions may take you over the concessional contributions cap and you may lose the special condition that deems all before tax contributions to be within the cap limits.

### 2. Can I salary sacrifice additional contributions to SASS?

**Answer:** No

Salary sacrificing your SASS contributions can be a great way to increase your retirement savings and also reduce the amount of tax you pay. By doing this, you only pay 15% tax on your SASS contributions, instead of the marginal rate of tax you would normally pay if the contribution is included in your assessable income.

But SASS can only accept salary sacrifice of your contributions between 1% and 9% of your superable salary. You can however make additional contributions to another super fund to build up your savings tax effectively, providing you do not exceed your contribution cap overall.

### 3. Can I get early access to my SASS benefit?

**Answer:** Maybe

As with standard super funds, you can apply to have some of your defined benefit super money released early. Bear in mind that amounts are generally limited, and specific eligibility requirements apply, such as meeting the conditions of release under compassionate grounds or severe financial hardship.

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If you also decide to access some super from any other super accounts, the total amount across all funds must not exceed $10,000 in a financial year. You should also be aware that when you do take an early release payment from your SASS, it is not simply a deduction. Instead, a debt account will be created to the value of the amount released. The debt account will attract interest up until you exit the scheme and will be deducted prior to your final benefit payment.

Accessing some of your super early might seem like an attractive solution to short term cash flow issues, but there are consequences. This includes leaving yourself with less money to live on in your retirement, missing out on the tax benefits of super and the beneficial impacts of compounding. Taxes may apply too in some circumstances. It's important to weigh up the pros and cons and be sure there are no better options.

## 4. Do I have income protection insurance through SASS?

**Answer:** No

SASS doesn't offer income protection insurance, so it would be worth exploring your insurance needs and options with a specialist risk adviser. Income protection is offered by most accumulation super funds, such as Aware Super. Insurance premium payments through super are deducted directly from your super balance. And because they are often bought in bulk, they can be cheaper, as well as more tax effective, than purchasing insurance outside of super.

SASS does offer Additional Benefit Cover (ABC) as an optional feature. This is cover for total and permanent invalidity and death. If you opt in, it will provide cover up to your scheme normal retirement age (generally 58) or when you reach 180 accrued points, whichever occurs sooner.

If you make a claim, the cover is calculated as an additional amount and added to your SASS benefit. This amount is based on the difference between the employer financed benefit on the date the benefit is paid, and the employer financed benefit you would have been entitled to if you had continued contributing at your average contribution rate up to your earliest retirement age or 180 accrued points, whichever comes first.

For deferred members, it's important to know that there is no insurance in your SASS account.

## 5. Can I turn my SASS benefit into a SASS pension when I retire?

**Answer:** For the majority of SASS members, no.

A lifetime pension is not a standard feature of SASS. However, there are a small number of SASS members who were transferred from closed schemes that had a lifetime pension option. These members will have retained this option within their SASS account. If you think that you might be one of these members, you can confirm this by contacting State Super Customer Service or referring to your annual statement.

For most members, when it comes time to access your benefit at retirement, either as a lump sum or to rollover to the retirement phase of super, you will no longer be able to continue as a member of SASS. By rolling over your retirement benefit to another super fund, you can access products in the retirement phase of super that are designed to provide you with regular income, such as an account-based pension.

## Need some help?

When life takes twists and turns you didn't expect, a good financial plan can help you stay focused on your long-term goals. Our financial planners are experts in the SASS scheme. To book an appointment, call us on **1800 620 305** Monday to Friday between 8:15am to 8:15pm (AEST/AEDT).



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