

TODAY'S TOPIC

Understanding Transition to Retirement

Thank you for joining us.
We will commence shortly.



Rated an ESG
Leader for
2023
by Rainmaker



“TelstraSuper acknowledges the
Traditional Custodians of the lands
throughout Australia.
We pay respect to Elders past and
present.”

Acknowledgement of Country

IMPORTANT NOTICE

This presentation contains factual information and general advice only, including information about financial products. It has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions. Please also consider our financial services guide which is available at www.telstrasuper.com.au

If you are considering acquiring a financial product, you should obtain the relevant product disclosure statement and target market determination before making a decision, which are available on our website at www.telstrasuper.com.au

Any taxation information in the presentation is factual information only. If you require taxation advice you should consult your accountant or tax adviser.

If you would like to find out more information about TelstraSuper, please contact us by email at **contact@telstrasuper.com.au** or use the Contact Form on the website to make a request and we will arrange for a Member Contact Centre Consultant to call you. Alternatively, you can call our Member Contact Centre Consultants on **1300 033 166** to ask for further information.

Please refer to <https://www.telstrasuper.com.au/about-us/awards> to see further information on our awards from both third-party rating agencies and industry peers that recognise TelstraSuper's achievements in each of the nominated areas.



**ACCESSING
SUPERANNUATION**



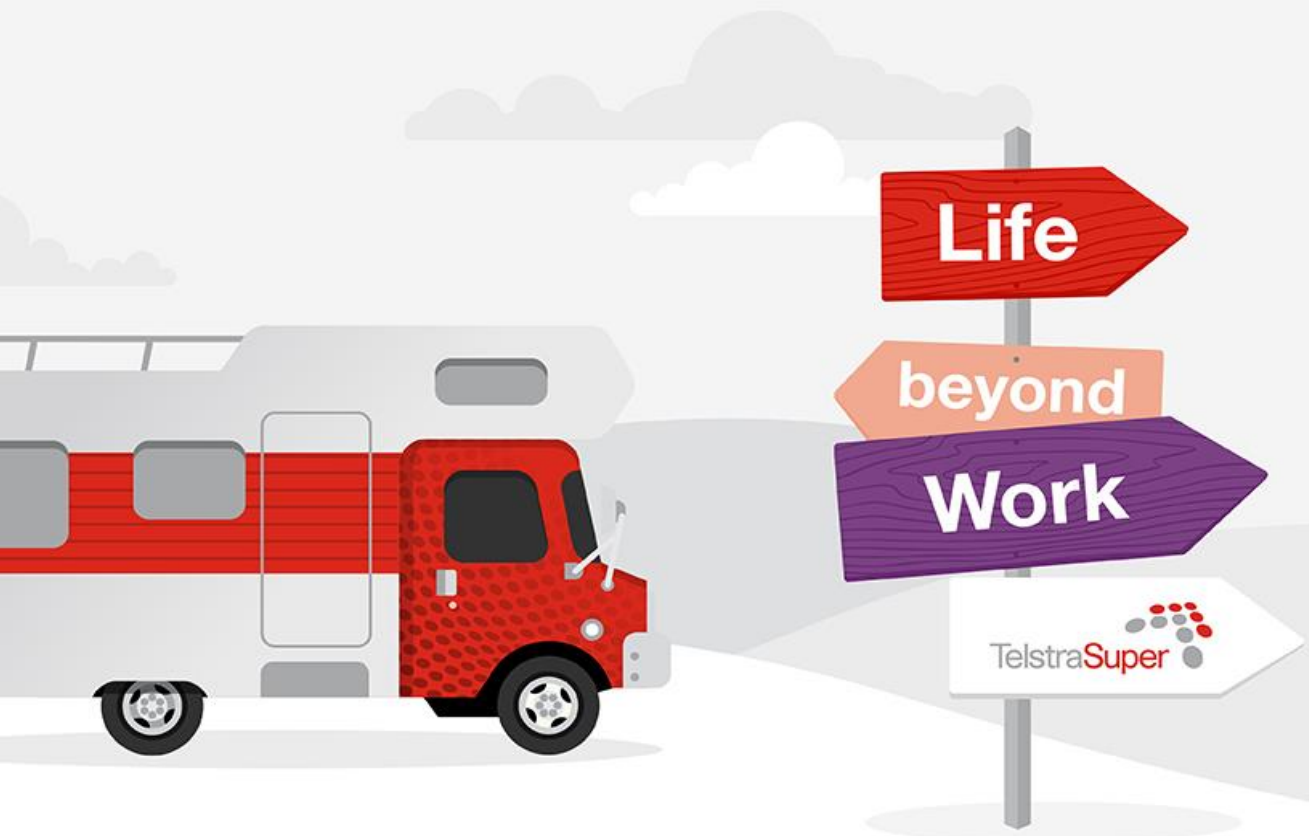
**UNDERSTANDING
TRANSITION TO RETIREMENT**



**HOW TELSTRASUPER
CAN ASSIST**



QUESTIONS



ACCESSING SUPERANNUATION



Superannuation preservation age

Superannuation Preservation Age

- Your preservation age is the age at which you can access your super if you're retired (or start a transition to a retirement income stream).
- From 1 July 2024, individuals **60** and older will have reached preservation age.
- Preservation age has increased over the years as can be seen in the table below:







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
From 1 July 1964	60

Centrelink Age Pension Age

- Your Centrelink age pension age is the age at which you may be eligible for the aged pension.
- From 1 January 2024, individuals **67** and older will have reached pension eligibility age.
- Centrelink age pension age has increased over the years as can be seen in the table below:

Date of birth	Centrelink Age Pension age
1 July 1952 - 31 December 1953	65 years and 6 months
1 January 1954 - 30 June 1955	66 years
1 July 1955 - 31 December 1956	66 years and 6 months
1 January 1957	67 years

When can I access my super?

	Lump sum	Income stream
Access (from preservation age)	Working 	Working 
	Retired 	Retired 
	Age 65 	Age 65 
Tax (from preservation age)	Aged 59 The first \$235,000 is tax free[^] and 17%* for any amount above the low rate cap	Aged 59 Income payments from a retirement income stream are taxable[#]
	Aged 60+ Tax-free	Aged 60+ Tax-free

* Based on 2023/24 financial year including Medicare Levy.

[^] The above applies to taxable component taxed element only. Other tax rates may apply if your super consists of any untaxed element.

[#] Taxed at marginal tax rates – tax offset of 15% is available.

Source: www.ato.gov.au/Individuals/Super/In-detail/Withdrawing-and-using-your-super/Withdrawing-your-super-and-paying-tax/?page=4#If_you_are_between_your_preservation_age_and_60__160_years_old and www.ato.gov.au/rates/key-superannuation-rates-and-thresholds/?page=7#Low_rate_cap_amount



UNDERSTANDING TRANSITION TO RETIREMENT



Transition to retirement income stream



What is a transition to retirement Income Stream?

A transition to retirement (or TTR) strategy enables you to access super as an income stream without the need to retire.

- A TTR strategy allows you to ease yourself into retirement by moving to part-time work and reduce your hours and supplement up the difference in salary by drawing an income from your super.
- For some people, a TTR strategy can help build wealth by salary sacrificing some of your salary into super to save tax and withdraw income from your super using a TTR pension to replace some or all the lost income, even if you continue working full time.
- A TTR strategy can allow you to access super early to pay off debt.

TTR income stream benefits

What are the benefits?

- Reduce your working hours and maintain income
- Grow your retirement savings if you choose to make additional contributions
- Pay off debt
- Choose your level of income within government prescribed limits
- Choose from twice-monthly, monthly, quarterly or annual payments
- Payments paid directly into your bank account
- Keep your super benefits invested
- Broad range of investment options to choose from



TTR income stream considerations

What are the considerations?

- May affect your retirement income
- Contribution limits
- Withdrawal limits
- Tax implications if you are under age 60
- Centrelink considerations
- Financial advice may be required due to complexities



Transition to retirement income stream

Eligibility

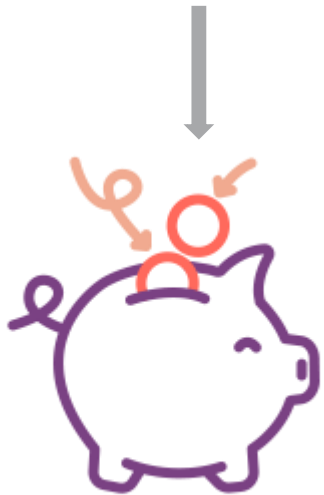
- You have reached your superannuation preservation age
- You are under age 65
- You are still working
- You have a minimum of \$10,000 to invest

Additional important considerations

- A TTR is flexible so you can decide your income level. However, the annual minimum income is 4% and the annual maximum income is 10% of account balance each financial year. The income amount is adjusted based on the account balance at the start of each financial year.
- While you are under age 60 the income payments are taxable, they are taxed at your marginal tax rate with a 15% tax offset.
- Up to 15% tax on investment earnings.
- No lump sum withdrawals available.
- When you retire or reach age 65, your TTR automatically transfers to a retirement income stream.

Reduce your working hours and replace income with a TTR

As you continue working part time your employer should continue to make super contributions



Super account

Your super will continue to accumulate



Transfer a minimum of \$10,000 of your accumulation balance into a TTR account



Transition to retirement account

Choose from a range of payment frequencies



Draw between 4% & 10% of the account balance to top up your income



Bank account

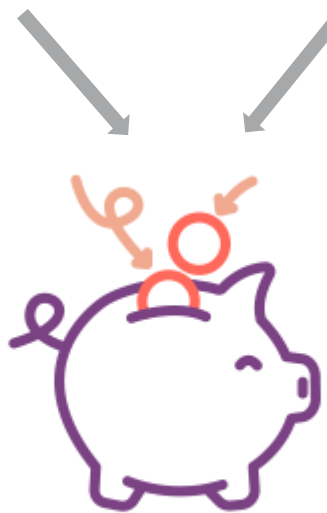
Payments are tax free if over age 60

Use a TTR to supplement income, maximise super contributions and minimising tax



Your employer will continue to make super contributions

You may choose to contribute pre-tax contributions



Super account

Your super will continue to accumulate



Transfer a minimum of \$10,000 of your accumulation balance into a TTR account



Transition to retirement account

Choose from a range of payment frequencies



Draw between 4% & 10% of the account balance to top up your income



Bank account

Payments are tax free if over age 60

Concessional contributions limit



Pre-tax (concessional contributions)

Employer contributions, salary sacrifice contributions, personal deductible contributions, additional employer contributions which cover the cost of insurance premiums

15% tax

Annual contribution cap **\$27,500**

Rolling 5-year catch up

If your total super balance is less than \$500,000 as at end of the previous financial year, any unused concessional contributions cap amounts can be carried forward for up to five years before they expire.

Four financial advice services to empower you



SUPER *sorter*

Simple phone advice and info designed to help you maximise your super.

No additional cost to members

Included in membership



STEP *it up*

Want to take that next step with your super or finances? We'll find you a simple solution.

Low cost Options

\$500 - \$900 per topic per person (+GST if applicable)



BIG *picture it*

Let's check out your whole financial situation and make a plan.

One off fee for service

\$1000 - \$3000 (+GST if applicable)



STAY *on track*

Ongoing expert advice on super and wealth. We'll nudge and encourage you, keeping you on track as life changes.

Annual fee for service

\$1750[^] pa or \$2300[^] pa depending on advice (+GST if applicable)

Financial advice is provided by Telstra Super Financial Planning Pty Ltd (TSFP) AFSL 218705. TSFP is wholly owned by TelstraSuper Pty Ltd (TSPL) in its capacity as trustee for the Telstra Superannuation Scheme (TelstraSuper). Refer to the current **TSFP Financial Services Guide (FSG)** on our website **Financial Planning and Advice | TelstraSuper** for important information about the services. Advice fees are current as at 1 October 2023.

[^]The ongoing advice service provides our clients with a review of the advice previously provided by us within the last 12 months, however if additional advice is required outside of this scope, due to changes in client's circumstances, additional costs may apply. Further information about costs are included in the client agreement

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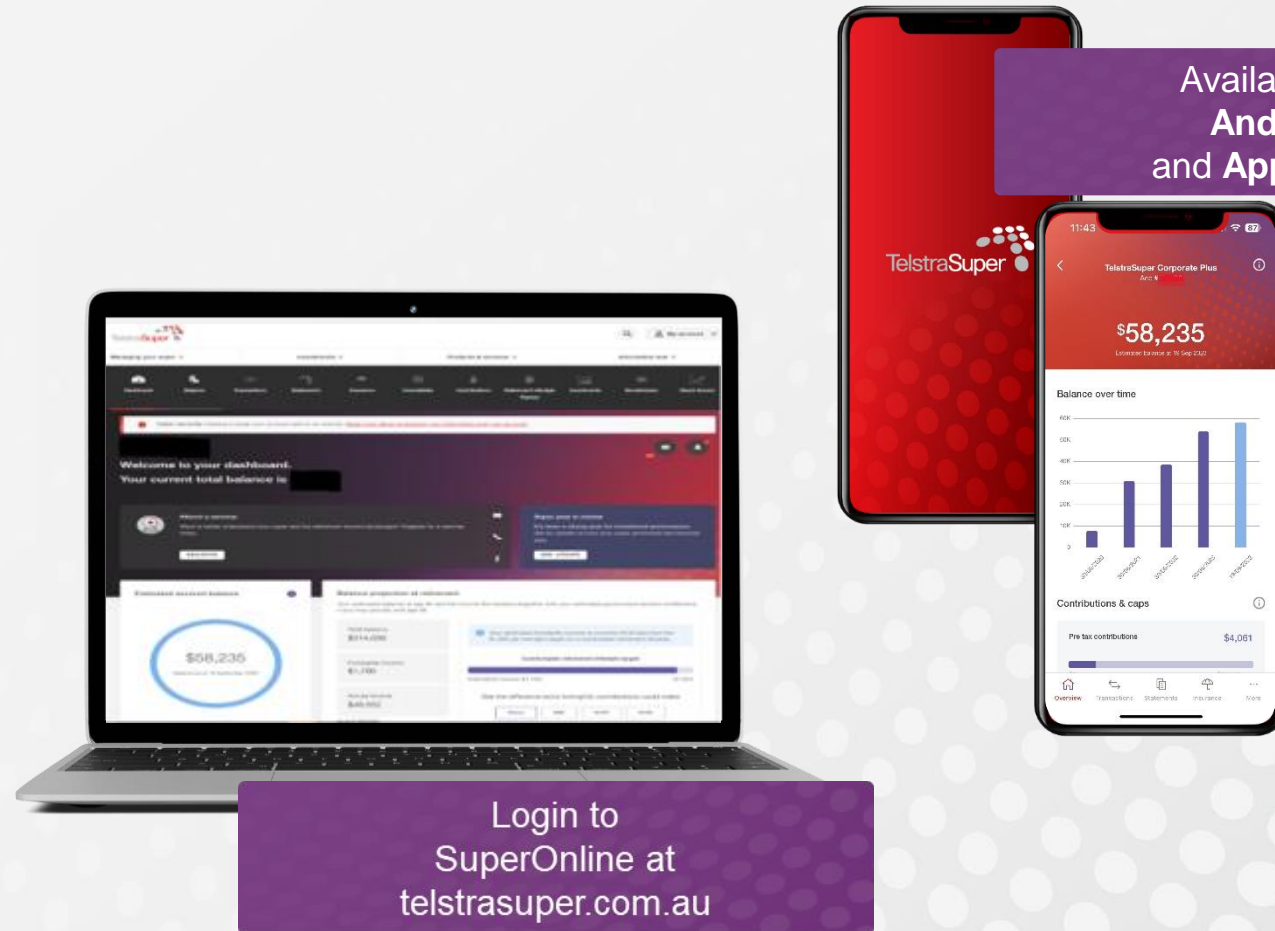


**HOW TELSTRASUPER
CAN ASSIST**

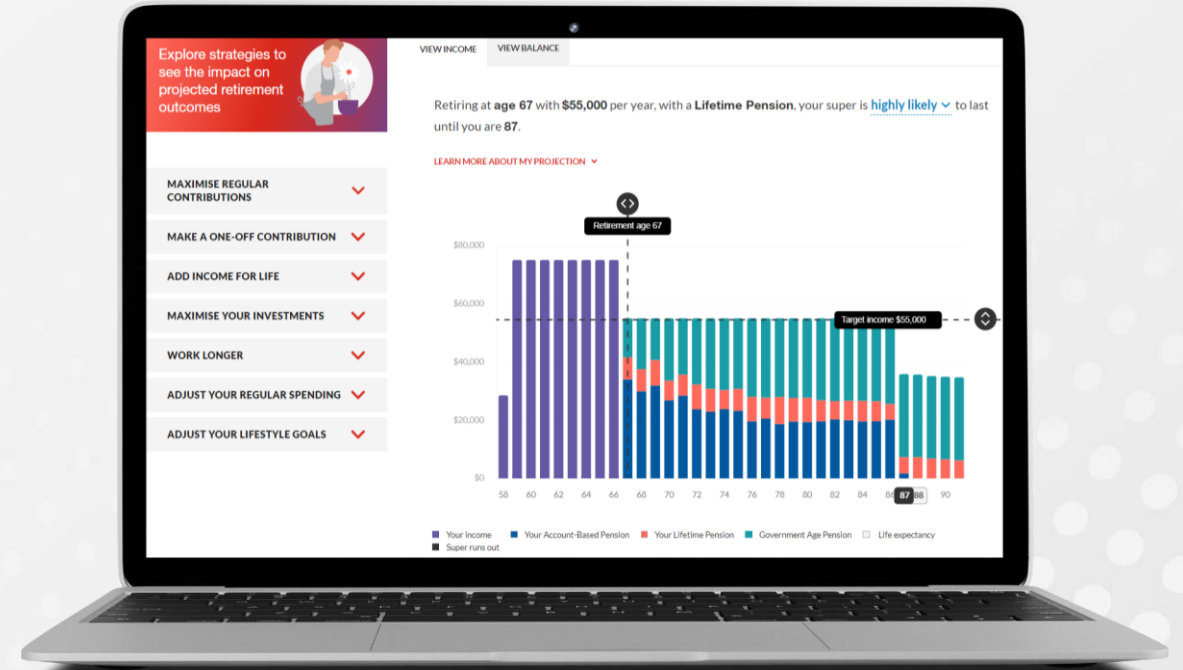
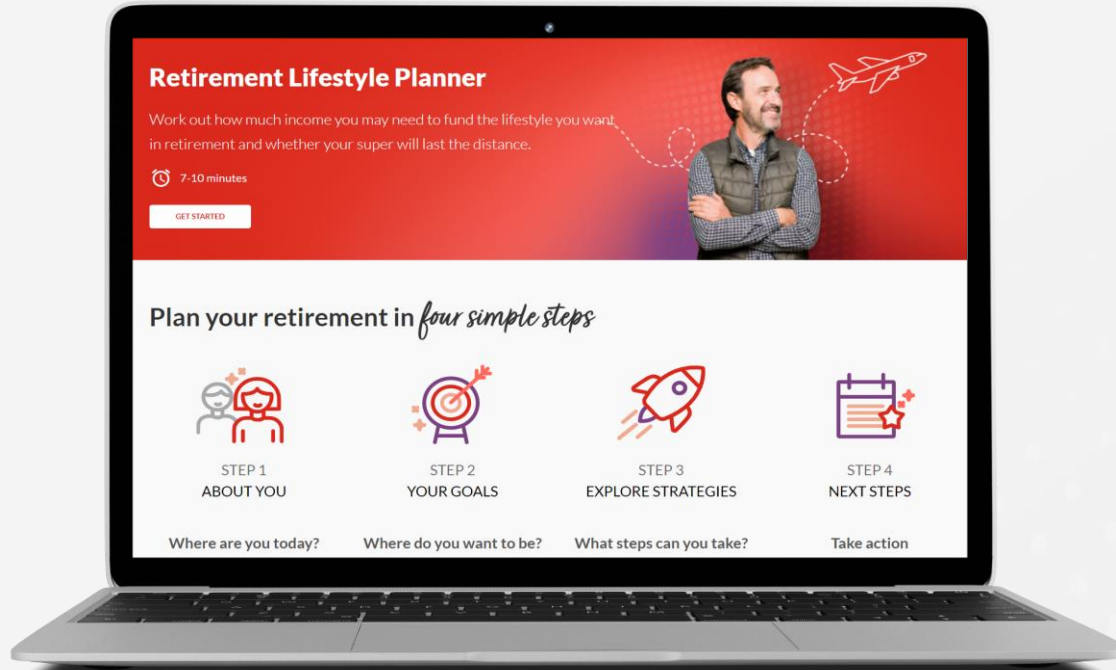


Keeping in touch with your super

- ✓ Update your personal details
- ✓ Provide your personal email address
- ✓ Check your account balance
- ✓ Review your insurance cover
- ✓ View your nominated beneficiaries and make a non-binding nomination
- ✓ Review your investment options and investment returns
- ✓ Keep track of pre-tax contributions against the concessional contribution caps
- ✓ Review benefit statements
- ✓ View latest contributions and transactions



Retirement lifestyle planner



- You can set your goals and where you want to be at retirement helping you to determine how much income you may need to support your retirement lifestyle
- Allows you to assess the impact that different scenarios could have on your goals/retirement outcomes such as planned career breaks/time off to raise children, making lump sum withdrawals and making additional contributions
- See how much Government Age Pension you may qualify for and include other investments, assets and income that you may have

The information you provide in the calculator will be used by TelstraSuper Pty Ltd to provide you with an illustrative income projection. However, it may not take into account all of your relevant personal needs and circumstances and it is not intended to replace financial advice. A financial planner can assess your financial needs more broadly, can help you optimise your financial position and can provide you with specific financial product advice. We recommend that, prior to acting on any information contained in this calculator, you consider the relevant Product Disclosure Statement and Target Market Determination.

Access the calculators www.telstrasuper.com.au/information-hub/calculators

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Meet the Guidance Specialist team



- Provide general advice relating to your retirement options and generate a Lifetime Pension quote.
- Provide assistance with online tools and calculators
- Provide assistance with locating and completion of application forms
- Educate our members
- Discuss the advice services available
- Offer as much time as required to ensure our members are happy and comfortable with next steps
- Phone appointments are at no additional cost and can be utilised as often as required



Godwin Mifsud
Guidance Specialist



Agnes Waclawik
Guidance Specialist



Stephen Gilhooley
Guidance Specialist

To arrange an appointment with a Guidance Specialist email education@telstrasuper.com.au

The Guidance Specialist team can provide general advice for the RetireAccess Lifetime pension and on most super related topics over the phone during a prearranged appointment to ensure our members fully understand all their options while on the path to retirement and throughout.

Get *super fit* with TelstraSuper Financial Planning



Get super fit with a super health check

Expert advisers from TelstraSuper Financial Planning can help you by reviewing your superannuation objectives and creating a plan to help support you in achieving your financial goals.

It all starts with a small step of talking to a financial adviser from TelstraSuper Financial Planning, who can address one or all of the following topics and more:



Boosting your super



Buying your first house



Saving goals



Investing



Insurance



Managing debt



Expert advisers from TelstraSuper Financial Planning are ready to assist with complementary 30-minute super health checks through pre-arranged telephone meetings.

To request a financial health check email education@telstrasuper.com.au

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THANKS FOR YOUR TIME



We're happy to answer your questions



1300 033 166

8:30am - 6:00pm (Melbourne time) Monday to Friday



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education@telstrasuper.com.au



[Telstrasuper.com.au](https://telstrasuper.com.au)



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