
**SA
Police
Superannuation**



**Pension
Scheme**

MEMBER BOOKLET

TRUSTEE

Trustee and Issuer

Police Superannuation Board
ABN 68 265 633 782

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This booklet provides you with a general description of the SA Police Superannuation Pension Scheme (the Pension Scheme) and its features. The information provided is not intended to be financial advice. If you are seeking advice, which takes into account your personal financial situation you should consult with a licensed financial adviser.

The Pension Scheme is a defined benefit superannuation scheme, which covers Police Officers who commenced employment with SA Police prior to 1 June 1990.

The Police Superannuation Board is the issuer of this booklet and the Board was established under the Police Superannuation Act, 1990. SA Police Super is a branch of SA Police and is responsible to the Board for the administration of the Pension Scheme. Funds SA, a separate statutory government body is responsible for the management and investment of the Pension Scheme.

An up-to-date version of this document is available on the website. **www.policessuper.sa.gov.au**.

Non-materially adverse changes to information will be updated on the website which can be accessed at any time to review information.

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INTRODUCTION

SA Police Super

The information in this booklet is designed to provide members with an understanding of the Pension Scheme and the options and benefits it offers to members. Members are encouraged to read this booklet and keep it as a reference. There is a Glossary included, which explains many of the terms used throughout the booklet.

The contents of the Member Booklet (Product Disclosure Statement) will be updated regularly, and the most up to date version is available to be downloaded from the SA Police Super website at www.policesuper.sa.gov.au

Questions and further information regarding the contents of this booklet can be obtained from SA Police Super via:

Telephone	(08) 8470 0370
Email	admin@policesuper.sa.gov.au
Location	Level 1 South, 70 Hindmarsh Square, Adelaide, SA 5000

Police Superannuation Act – Rules of the Pension Scheme

The Pension Scheme was established by the *Police Superannuation Act, 1990* (the Act). The Act and accompanying *Police Superannuation Regulations* set out the governing rules under which the Pension Scheme is administered and entitlements are paid.

You can access a copy of the Act and Regulations via the SA Police Super website or Legislation SA.

You will be advised of any amendments to the Act or Regulations, which affect entitlements on the SA Police Super website.

Privacy

Your superannuation details are confidential. Under the Act, information about your entitlements can only be disclosed:

- as required by, or under, any State or Commonwealth Act.
- to you, or to someone else, with your consent.
- to your employing agency.
- on application, to your spouse or former spouse, under the Family Law Act 1975.
- to any other person for purposes related to the administration of the Act as may be required by a Court of Law.

Police Superannuation Board

The Police Superannuation Board is responsible for the management and the administration of the Pension Scheme in accordance with the Police Superannuation Act and other relevant legislation.

The Police Superannuation Board comprises of the following 5 members:

- an independent Presiding Member;
- two members nominated by the Government; and
- two members nominated by the Police Association of South Australia.

Enquiry and Dispute Resolution Process

If you have an enquiry or a complaint regarding your membership or entitlements, you can lodge an enquiry or complaint, to the Police Superannuation Board. The Board will consider all members' complaints. If you are dissatisfied with the Board's decision in response to your complaint you can obtain a review of the decision by:

- a) applying to the Board for a review of the decision; or
- b) pursuing the matter with the Police Association (serving members), Local Member of Parliament or State Ombudsman; or
- c) pursuing the matter with the South Australian Civil and Administrative Tribunal.

All enquiries and complaints should be in writing and forwarded to:

The Secretary
Police Superannuation Board
Level 1 South
70 Hindmarsh Square
Adelaide SA 5000.

Funds SA

Funds SA is a statutory body established by the State Government to manage the investments of the Pension Scheme. Funds SA develops investment strategies for the investments it is responsible for and implements these strategies using a "manager of managers" approach.

This means that Funds SA engages a range of specialised investment managers to manage its investments. This approach aims to provide a high degree of diversification with respect to investment categories, managers, markets and the underlying investments.

More information about Funds SA can be found at www.funds.sa.gov.au

OVERVIEW OF THE PENSION SCHEME

Members of the Pension Scheme pay a member contribution based on a fixed percentage of their fortnightly superannuation salary.

The Pension Scheme provides the following defined benefits:

Retirement Benefits from Age 50 to Age 55, taken as a lump sum payment or preservation of the accrued police pension which becomes payable from Age 55 as a lifetime pension, adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide). When the police pension becomes payable members have the option to commute any amount of pension up to 100 percent to a lump sum payment.

Retirement Benefits from Age 55 and over, payable as a lifetime police pension, adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide). Members have the option to commute any amount of pension up to 100 percent to a lump sum payment.

Temporary Disability Pension, payable as a pension for a period of up to 12 months in the event of temporary incapacity for work within SA Police and the expiration of sick leave entitlements.

Total and Permanent Invalidity Benefits, payable as a lifetime police pension, adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide). Members have the option to commute 20 percent of pension initially if under Age 55, or commute up to 100 percent of pension on attaining Age 55; or if over Age 55 at date of benefit approval.

Partial Incapacity Benefits, taken as a lump sum payment or preservation of the accrued police pension which becomes payable from Age 55 as a lifetime pension, adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide). When the pension becomes payable members have the option to commute any amount of pension up to 100 percent to a lump sum payment.

Death Benefit – eligible spouse, payable to an eligible spouse as a lifetime pension, adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide). A spouse has the option to commute any amount of pension up to 100 percent to a lump sum payment.

Death Benefit – eligible child, payable to an eligible child as a pension, adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide). Payable up to the age of 16, and between the ages of 16 and 25 years providing the child is attending a recognised educational institution on a full-time study basis.

Death Benefit - estate payable to the estate of a deceased member, as a lump sum, in the event there is no benefit payable to an eligible.

MEMBERSHIP

Members of the Pension Scheme are Police Officers who commenced employment with SA Police prior to 1 June 1990. After this date, Police Officers are members of Super SA's Triple S Scheme.

SUPERANNUATION CONTRIBUTIONS

Member Contributions

Member contributions to the Pension Scheme are based on a defined fixed percentage of fortnightly superannuation salary of between 5 and 6 percent.

Member contributions are adjusted once a year effective the first pay period in July to reflect changes in superannuation salary over the previous 12 months. Member contributions are based on the salary of a member's actual or highest rank and increment as at the proceeding 31 March. Contributions remain unaltered throughout the financial year irrespective of any change in rank, increment or salary pay rise.

In the event that a member elects to work part-time during a particular financial year, the member has the option to maintain contributions at the full time rate until the next review in the following July or have contributions adjusted in line with the part-time salary.

Member contributions to the Pension Scheme will cease when:

- i) a superannuation benefit becomes payable; or
- ii) (generally) when a member attains 60 years of age.

Employer Contributions

SA Police makes employer contributions towards benefits from the Pension Scheme at a level determined from time to time to be sufficient to meet the defined benefits payable to members.

Salary Sacrifice Contributions

Members of the Pension Scheme have the option to make additional contributions via salary sacrifice arrangements with SA Police.

Salary sacrifice contributions are not held within the Police Pension Scheme. These contributions are held with Super SA's Triple S scheme. Triple S can provide members with investment choice as to how their salary sacrifice contributions are invested with Funds SA.

Superannuation Salary

The superannuation salary is the salary applicable to the highest level of salary received in the highest grade (rank and increment) actually attained by the member in a permanent position within SA Police. Salary received by way of a higher duties allowance and secondment positions are excluded for superannuation contribution purposes.

A higher duties allowance is used for superannuation benefit purposes in cases where a member is in receipt of a higher duties allowance at the date of separation from SA Police, and has been in receipt of that higher duties allowance for a continuous period of 12 months, immediately preceding the date of separation.

The superannuation salary of members who hold the rank of Senior Sergeant or below will be increased by 11 percent if the member has been rostered to work on day, afternoon and night shift, or any two of those shifts, on a rotating basis.

From the first full pay period on or after 1 July 2011, Officers of Police (Inspector to Chief Superintendent) will be paid a Flexibility Allowance (Officers of Police) of 8%, 11% or 15% of their applicable annual salary rate dependent on the type of shift work completed.

Workers' Compensation Payments

Where a member is in receipt of fortnightly workers compensation payments, the member remains a contributor to the Pension Scheme and the member contributions are payable as if the workers' compensation payments were salary. However, if the workers compensation payments and any salary earned is less than the salary a member would have received if back at work full time, the Board may allow a proportionate reduction in the required contribution for that period.

Leave Without Pay

If a member takes more than 2 weeks leave without pay, Board approval is required for the member to be eligible to continue to make contributions. To apply to maintain contributions whilst on leave without pay members are required to request so in writing.

Superannuation Surcharge

The Superannuation Surcharge was abolished from 1 July 2005. Any surcharge liability accrued prior to 1 July 2005 is still payable, and the responsibility of the member.

Division 293

In the 2012 Budget the Commonwealth Government announced that individuals with income and low tax super contributions greater than \$250,000 will be charged Division 293 tax of 15% on the low tax contributions above the \$250,000 per year threshold. Division 293 tax reduces the tax benefit on low tax contributions (concessional contributions) of very high income earners. The Division 293 tax was legislated in June 2013 and backdated to July 2012.

Division 293 tax applies if a member of the Scheme had concessional super contributions (salary sacrifice and notional employer contributions) for an income year, and a member's income plus concessional contributions exceeds \$250,000.

If a member's income excluding concessional contributions is less than the \$300,000 threshold but the inclusion of concessional contributions is over \$250,000, then Division 293 tax will only apply to the concessional contributions that are in excess of \$250,000.

Income includes:

- taxable income (assessable income less deductions)
- total reportable fringe benefits
- net financial investment loss
- net rental property loss
- amounts on which family trusts distribution tax has been paid
- net financial investment loss

INVESTMENT OF FUNDS

Funds SA

Funds SA, a statutory body established under the Superannuation Funds Management Corporation Act 1995, is responsible for the management and investment of member and employer contributions to the Pension Scheme.

Funds SA develops investment strategies for the investments it is responsible for and implements these strategies using a “manager of managers” approach. This means that Funds SA engages a range of specialised investment managers to manage its investments. This approach aims to provide a high degree of diversification with respect to investment categories, managers, markets and the underlying investments.

Member and employer contributions to the Pension Scheme are invested by Funds SA in what is called the “growth” product. The asset allocation of the growth product is available from [Funds SA’s website](#)

MEMBER ACCOUNT

Member Contribution Account

Members of the Pension Scheme make contributions on a fortnightly basis through deductions from their post-tax salary i.e. net pay. Contributions made by members are based on a fixed percentage ranging between five and six percent of superannuation salary. Member contributions accumulate in the Member Contribution Account with a crediting rate declared by the Board for the pension scheme division, as at 30 June each year.

Fund Crediting Rates

In line with the Board’s crediting rate policy for member contribution accounts, the end of financial year crediting rate is based on the net rate of return (money weighted return net of investment fees and the Board’s administration costs) for the pension scheme division each year, as advised by Funds SA.

The Board is required to determine an 'exit' crediting rate of return to be applied to the member contribution accounts of members of the Pension Scheme, who separate under Age 50 from SA Police during a particular financial year *and* elect to take a withdrawal benefit which consists of a refund of member contributions plus accrued interest.

Exit crediting rates are calculated on a weekly basis and are based on the year-to-date annualised rate of return for each week for the pension scheme division, as advised by Funds SA.

Fees

Amounts for fees, charges or expenses are deducted from the Scheme. These deductions are borne indirectly by the employer and members and may affect the investment return on any entitlements related to a cash withdrawal. These deductions do not affect entitlements related to your superannuation salary i.e. defined benefits at retirement.

MEMBER BENEFITS

Retirement Benefits – Age 50 to Age 55

Members of the Pension Scheme who retire from SA Police between 50 and 55 years of age have the option to:

- a) elect to receive a lump sum retirement benefit (not subject to preservation) as a multiple of superannuation salary, based on their accrued membership of the Pension Scheme; or
- b) elect to preserve a police pension benefit, based on their accrued membership of the Pension Scheme, which will become payable after attaining 55 years of age.

Lump Sum Retirement Benefit Option

To maximise the lump sum benefit available between 50 and 55 years of age you are required to have at least 30 years membership of the Pension Scheme. If you have less than 30 years membership a proportionate lump sum benefit is payable. The following table shows the estimated lump sum benefit multiple of superannuation salary payable at various retirement and joining ages.

Age of Joining		Age 50 Retirement	Age 51 Retirement	Age 52 Retirement	Age 53 Retirement	Age 54 Retirement
20	or under	5.45	5.56	5.67	5.78	5.89
21		5.27	5.56	5.67	5.78	5.89
22		5.09	5.37	5.67	5.78	5.89
23		4.91	5.19	5.48	5.78	5.89
24		4.72	5.00	5.29	5.58	5.89
25		4.54	4.82	5.10	5.39	5.69
26		4.36	4.63	4.91	5.20	5.49
27		4.18	4.45	4.72	5.01	5.30
28		4.00	4.26	4.53	4.81	5.10
29		3.82	4.08	4.35	4.62	4.91
30		3.63	3.89	4.16	4.43	4.71

Preservation Pension Benefit Option

The percentage of fortnightly superannuation salary you have accrued during your period of membership of the Scheme to the date of separation from SA Police will be preserved. The preserved pension will become payable to you as a lifetime pension adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide) from Age 55.

The following table shows the estimated preserved pension percentage of superannuation salary payable from age 55 based on the age at separation from SA Police.

Age of Joining		Age 50 at Separation	Age 51 at Separation	Age 52 at Separation	Age 53 at Separation	Age 54 at Separation
20	or under	44.41%	45.89%	47.37%	48.85%	50.33%
21		44.19%	45.71%	47.24%	48.76%	50.29%
22		43.96%	45.53%	47.10%	48.67%	50.24%
23		43.71%	45.33%	46.95%	48.57%	50.19%
24		43.45%	45.12%	46.80%	48.47%	50.14%
25		43.18%	44.90%	46.63%	48.36%	50.08%
26		42.88%	44.66%	46.45%	48.24%	50.02%
27		42.56%	44.41%	46.26%	48.11%	49.96%
28		42.22%	44.13%	46.05%	47.97%	49.89%
29		41.85%	43.84%	45.83%	47.82%	49.82%
30		41.45%	43.52%	45.59%	47.67%	49.74%

Commutation of Preserved Pension

A preserved pension may be commuted into a lump sum within a period of three months from the commencement of payments, generally on attaining age 55. Any amount of a preserved pension up to 100 percent may be commuted to a lump sum payment.

Productivity Lump Sum Retirement Benefit

Upon retirement from SA Police, members of the Pension Scheme are also eligible to receive a lump sum productivity benefit, at any age from age 50 onwards. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 or the date joined commenced service with SA Police, if that date was after 1 January 1988.

Retirement Benefits – Age 55 and over

From age 55, members of the Pension Scheme are eligible to receive a police pension as a percentage of superannuation salary. The police pension is payable to as a lifetime pension adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide).

The following table shows the estimated pension percentage of superannuation salary payable at various retirements and joining ages.

Age of Joining		Age 55 Retirement	Age 56 Retirement	Age 57 Retirement	Age 58 Retirement	Age 59 Retirement	Age 60 Retirement
30	or under	51.82%	54.79%	57.75%	60.72%	63.69%	66.67%
31		49.75%	52.68%	55.61%	58.55%	61.49%	64.44%
32		47.67%	50.57%	53.48%	56.38%	59.29%	62.22%
33		45.60%	48.47%	51.34%	54.21%	57.10%	60.00%
34		43.53%	46.36%	49.20%	52.05%	54.90%	57.78%
35		41.46%	44.25%	47.06%	49.88%	52.71%	55.56%

The payment of a pension is subject to:

- a) a cash payment from Shared Services for unused annual leave entitlements; and or
- b) the receipt of workers compensation payments:

Cash Payment for Annual Leave Entitlements

Where a member is entitled to a payment from SAPOL (Payroll-Shared Services) in lieu of any days of unused annual leave, the member is not entitled to receive a pension or lump sum payments *until the number of days of annual leave have been exhausted*.

Workers Compensation Payments

The receipt of workers compensation payments affects a pension payment whereby the amount of pension payable will be reduced by the amount of any workers compensation payments. If the amount of workers compensation payment is equal to or exceeds the amount of pension payable, the pension payment will be suspended until the entitlement to the workers compensation payments cease.

Where a right to workers compensation payments has been surrendered in whole or in part by commutation or by agreement, the person who would have been entitled to those payments, if the right to them had not been surrendered, will be taken to be receiving these unless the person is a contributor and has reached the age of 60.

Commutation of Pension

A retirement pension i.e. age 55 and over may be commuted to a lump sum within a period of three months from the commencement of pension payments. Any amount of a retirement pension up to 100 percent of the pension payable may be commuted to a lump sum payment.

Commutation provides the member a set lump sum amount for each \$1 of annual pension commuted. This set lump sum is calculated using the “commutation factors” set down in the police superannuation regulations

The amount of lump sum payable is based on the member’s exact age, in years and months, as at the date of payment. The amount shown in the following table represents the gross amount payable, in a lump sum, for every dollar of annual pension elected for commutation.

Age	Amount
55	\$11.50
56	\$11.30
57	\$11.10
58	\$10.90
59	\$10.70
60	\$10.50
61	\$10.30
62	\$10.10
63	\$9.90
64	\$9.70
65	\$9.50

Productivity Lump Sum Retirement Benefit

Upon retirement from SA Police, members of the Pension Scheme are also eligible to receive a lump sum productivity benefit, at any age from age 55 onwards. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 or the date joined commenced service with SA Police, if the date of joining is after 1 January 1988.

Incapacity for Work

Members of the Pension Scheme who become temporarily or permanently incapacitated for work within the SA Police and are under 60 years of age at that date may qualify for:

- a) a temporary disability pension; or
- b) an invalid pension on the basis of total and permanent incapacity; or
- c) an invalidity lump sum benefit on the basis of partial incapacity.

Each of the above is outlined in detail below. Should you require additional information in respect of these benefits please contact SA Police Super (refer Page 4).

Temporary Disability Pension

A member who becomes temporarily incapacitated for work through sickness or injury may qualify for a temporary disability pension. A temporary disability pension may be payable for up to 12 months and may be extended a further six months in certain circumstances.

A temporary disability pension **is not** payable if the member is:

- a) eligible for sick leave;
- b) entitled to weekly workers compensation payments;
- c) in receipt of annual leave or long service leave payments;
- d) 60 years of age or over.

Applications for a temporary disability pension are submitted to the Police Superannuation Board for consideration and determination. In line with the Board's procedures applicants are subject to an **independent medical assessment** by a medical practitioner selected by the Board. Applicants should be aware that the determination of a claim might take up to three months to complete. Whilst in receipt of a temporary disability pension, claimants will be required to apply for **special leave without pay from SA Police**.

The payment of a temporary disability pension is based on the member's Age 60 pension entitlement.

Member contributions to the Scheme will be suspended whilst in receipt of a temporary disability pension.

Retirement benefits **are not** reduced as a result of a member having received temporary disability pension.

Total and Permanent Incapacity Invalid Pension

A member who becomes permanently incapacitated for work through sickness or injury may qualify for a total and permanent invalid pension. An invalid pension is based on a member's Age 60 pension entitlement as a defined percentage of fortnightly superannuation salary and payable upon separation from SA Police, on the grounds of invalidity.

The payment of an invalid pension is subject to:

- a) a cash payment from Shared Services for unused annual leave entitlements; and/or
- c) weekly workers compensation payments.

Applications for invalidity benefits are submitted to the Police Superannuation for consideration and determination. In line with the Board's procedures applicants are subject to an **independent medical assessment** by a medical practitioner selected by the Board. Applicants should be aware that the determination of a claim might take up to three months to complete. The determination of an invalidity claim, based on total and permanent incapacity, is made by the Board when it is satisfied that the claimant's level of incapacity for all kinds of work (both inside and outside of SA Police) is 60 percent or more and likely to be permanent.

The following table shows the estimated pension percentage of superannuation salary payable upon retirement, on the grounds of invalidity for total and permanent incapacity at various joining ages.

Age of Joining		Age 60 Retirement Pension
30	or under	66.67%
31		64.44%
32		62.22%
33		60.00%
34		57.78%
35		55.56%

Cash Payment for Annual Leave Entitlements

Where a member is entitled to a payment from SAPOL (Payroll-Shared Services) in lieu of unused annual leave days as at separation date, the member *is not* entitled to receive a pension or lump sum payments *until the number of days of annual leave have been exhausted*.

Workers Compensation Payments

The receipt of workers compensation payments affects the amount of invalid pension payable to a member.

The amount of the invalid pension payable will be reduced by the amount of any workers compensation payments a member is receiving. If the amount of workers compensation is equal to or exceeds the amount of invalid pension, the pension payment will be suspended until the entitlement to the workers compensation payments cease.

Where a right to workers compensation payments has been surrendered in whole or in part by commutation or by agreement, the person who would have been entitled to those payments, if the right to them had not been surrendered will be taken, to be receiving them unless the person is a contributor and has reached the age of 60.

Commutation of Invalid Pension

An invalid pension may be commuted to a lump sum within a period of three months from the commencement of payments. The percentage of commutation allowable depends on the age of the member as at the invalid pension approval date.

- a) Members under age 55 as at date of separation on invalidity

Any amount of pension up to a maximum of 20 percent of the pension may be commuted to a lump sum payment. On attaining age 55, the member may elect to commute a further 80 percent of pension to a lump sum (100% in total).

- b) Members age 55 and over as at date of separation on invalidity

Any amount of pension up to a maximum of 100 percent of the pension may be commuted to a lump sum payment.

Partial Incapacity Lump Sum Invalidity Benefit

Where a member becomes permanently incapacitated for work through sickness or injury the member may qualify for a partial incapacity invalidity lump sum payment. A partial incapacity lump sum payment is based on a member's accrued defined multiple of annual superannuation salary as at the date of separation from SA Police, on the grounds of invalidity.

Applications for invalidity benefits are submitted to the Police Superannuation for consideration and determination. In line with the Board's procedures applicants are subject to an **independent medical assessment** by a medical practitioner selected by the Board. Applicants should be aware that the determination of a claim may take up to three months to complete. The determination of an invalidity claim, based on partial incapacity, is made by the Board when it **is not** satisfied the member's level of incapacity for all kinds of work (both inside and outside of SA Police) is 60 percent or likely to be permanent.

The following table shows the estimated lump sum multiple of annual superannuation salary payable upon retirement, on the grounds of invalidity for partial incapacity at various joining ages.

Age of Joining		Age 30 Retirement	Age 35 Retirement	Age 40 Retirement	Age 45 Retirement	Age 50 Retirement
20	or under	2.00	2.73	3.63	4.54	5.45
21		2.00	2.54	3.45	4.36	5.27
22		2.00	2.36	3.27	4.18	5.09
23		2.00	2.18	3.09	4.00	4.91
24		2.00	2.00	2.91	3.82	4.72
25		2.00	2.00	2.73	3.63	4.54
26		2.00	2.00	2.54	3.45	4.36
27		2.00	2.00	2.36	3.27	4.18
28		2.00	2.00	2.18	3.09	4.00
29		2.00	2.00	2.00	2.91	3.82
30		2.00	2.00	2.00	2.73	3.63

Productivity Lump Sum Invalidity Retirement Benefit

Members of the Pension Scheme who separate from SA Police, on the grounds of invalidity are eligible to receive a lump sum productivity benefit. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 of the date joined the scheme, if that date was after 1 January 1988.

Death Benefits

The Pension Scheme provides a benefit for your beneficiaries if you die while you are employed by SA Police or while you are in receipt of a pension from the scheme. A death benefit may be payable to an eligible spouse, and an eligible child or your estate.

Eligible Spouse – Death before Retirement

Upon the death of a member of the Pension Scheme prior to retirement from SA Police, a fortnightly pension benefit (2/3rds of member's age 60 entitlement) may be payable to an eligible spouse.

An eligible spouse is defined as:

- a) a lawful spouse if he or she was your lawful spouse at the date of death.
- b) a person who was cohabiting with you, at the date of death, as your husband or wife, de facto continuously for the period of 3 years or for periods aggregating not less than 3 years during the period of 4 years immediately preceding the date of death; or

- c) a person who is the natural parent of a child of whom you are the other natural parent.
- d) a person who was cohabiting with you at the date of death as your putative spouse.

A spouse is disentitled to reversionary spouse benefits in the case of property settlement on account of a Commonwealth Family Law split of superannuation benefits:

- *Police Superannuation Act 1990 - s38K*- Benefit not payable to spouse on death of contributor if split has occurred; disentitles a spouse who has received a benefit under a splitting instrument i.e. the spouse is not considered an eligible spouse under s32(1) -Benefits payable on contributor's death.

The following table shows the estimated pension percentage of fortnightly superannuation salary payable to an eligible spouse upon the death of a member prior to the member's retirement at various joining ages.

Age of Joining	Spouse Pension
30 or under	44.44%
31	42.96%
32	41.48%
33	40.00%
34	38.51%
35	37.03%

Workers Compensation Payments

The receipt of workers compensation payments affects the receipt of a spouse pension payment. The amount of the pension payable will be reduced by the amount of any workers compensation payments. If the payments of workers compensation equal or exceed the amount of spouse pension, the pension payment will be suspended until the entitlement to the workers compensation payments cease.

Where a right to workers compensation payments has been surrendered in whole or in part by commutation or by agreement, the person who would have been entitled to those payments, if the right to them had not been surrendered will be taken, to be receiving them unless the person is a spouse of a deceased contributor – the contributor would have reached age 60 if he or she were still alive.

Commutation of Spouse Pension

A spouse pension may be commuted into a lump sum within a period of six months from the commencement of payments. Any amount of a spouse pension, up to a maximum of 100 percent, may be commuted into a lump sum payment.

Productivity Lump Sum Death Benefit

Upon the death of a member of the Pension Scheme a lump sum productivity benefit may be payable to an eligible spouse. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 of the date joined the scheme, if that date was after 1 January 1988.

Eligible Spouse – Death of Member after Retirement

Upon the death of a member of the Pension Scheme after retirement from SA Police a fortnightly pension benefit (2/3rds of the deceased member's pension payable at the date of death) may be payable to an eligible spouse.

An eligible spouse is defined as:

- a) a lawful spouse as at the date of death.
- b) a person who was cohabiting with the member, at the date of death, as husband or wife de facto continuously for the period of 3 years or for periods aggregating not less than 3 years during the period of 4 years immediately preceding the date of death; or
- d) a person who is the natural parent of a child of whom the member is the other natural parent.
- e) a person who was cohabiting with the member at the date of death as the member's putative spouse.

A spouse is disentitled to reversionary benefits in the case of property settlement on account of a Commonwealth Family Law split of superannuation benefits:

- *Police Superannuation Act 1990 - s38K*- Benefit not payable to spouse on death of contributor if split has occurred; disentitles a spouse who has received a benefit under a splitting instrument i.e. the spouse is not considered an eligible spouse under s32(1) -Benefits payable on contributor's death.

Commutation of Spouse Pension

A spouse pension may be commuted to a lump sum within a period of six months from the commencement of payments. Any amount of a spouse pension, up to a maximum of 100 percent, of the pension payable may be commuted to a lump sum payment.

Eligible Child – Death before Retirement – Spouse Benefit also Payable

Upon the death of a member of the Pension Scheme, who is survived by a spouse, an additional fortnightly pension benefit may be payable to an eligible child or children. An eligible child is a child under 16 years of age or a child who is over 16 years of age but under 25 years of age and a full-time student. Upon ceasing to be an eligible child the pension payable to a child must cease.

The amount of pension payable to an eligible child is based on the number of eligible children and the deceased member's notional pension. The deceased member's notional pension is the amount of pension that would have been payable if the deceased member had attained 60 years of age.

For example, where the deceased member would have been entitled to a notional pension of 66.7 percent at age 60, the estimated pension percentage of fortnightly superannuation salary payable to an eligible child upon the death of a member prior to the member's retirement would be as follows:

- a) up to 2 eligible children a pension of 11 percent of fortnightly superannuation salary each;
- b) three or more eligible children a pension of 11 percent of fortnightly superannuation salary each.

Workers Compensation Payments

The receipt of workers compensation payments affects the receipt of a child pension payment. The amount of the pension payable will be reduced by the amount of any workers compensation payments. If the payments of workers compensation equal or exceed the amount of child pension, the pension payment will be suspended until the entitlement to the workers compensation payments cease.

Eligible Child – Death before Retirement – No Spouse Benefit Payable

Upon the death of a member of the Pension Scheme who is not survived by a spouse, a fortnightly pension benefit may be payable to an eligible child or children. An eligible child is a child under 16 years of age or a child who is over 16 years of age but under 25 years of age and a full-time student. Upon ceasing to be an eligible child the pension payable to a child must cease.

The amount of pension payable to an eligible child is based on the number of eligible children and the deceased member's notional pension. The deceased member's notional pension is the amount of pension that would have been payable if the deceased member had attained 60 years of age.

For example where the deceased member would have been entitled to a notional pension of 66.7 percent at Age 60, the estimated pension percentage of fortnightly superannuation salary payable to an eligible child upon the death of a member prior to the member's retirement would be as follows:

- a) one eligible child a pension of 30 percent of fortnightly superannuation salary;
- b) two eligible children a pension of 26.6 percent of fortnightly superannuation salary each;
- c) three eligible children a pension of 20 percent of fortnightly superannuation salary each;
- d) four or more eligible children a pension percentage based on the notional pension divided by the number of eligible children.

Workers Compensation Payments

The receipt of workers compensation payments affects the receipt of a child pension payment. The amount of the pension payable will be reduced by the amount of any workers compensation payments. If the payments of workers compensation equal or exceed the amount of child pension, the pension payment will be suspended.

Productivity Lump Sum Death Benefit

Upon the death of a member of the Pension Scheme a lump sum productivity benefit may be payable to the deceased member's estate. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 of the date joined the scheme, if that date was after 1 January 1988.

Estate – Death before Retirement - No Spouse Benefit Payable – Child Benefit Payable

Upon the death of a member of the Pension Scheme where there is no spouse benefit payable but an eligible child pension benefit is payable, a lump sum benefit is also payable to the deceased member's estate.

The lump sum benefit payable to the deceased member's estate is a minimum of 2 times the annual superannuation salary.

Estate – Death before Retirement - No Spouse Benefit Payable – No Child Benefit Payable

Upon the death of a member of the Pension Scheme where there is no spouse benefit or eligible child benefit payable, a lump sum benefit is payable to the deceased member's estate.

Death on Duty

The lump sum benefit payable to the deceased member's estate is the greater of the following:

- a) 3 times annual superannuation salary; or
- b) 7 times annual superannuation salary.

Years of membership	Estate Benefit
30	7.00
25	5.83
20	4.67
15	3.50
10	3.00
5	3.00

Death off Duty

The lump sum benefit payable to the deceased member's estate is a maximum of 7 times the annual superannuation salary after 30 years of membership of the Scheme.

The following table shows the estimated multiple of annual superannuation salary payable to a deceased member's estate at various periods of membership.

Years of membership	Estate Benefit
30	7.00
25	5.83
20	4.67
15	3.50
10	2.33
5	1.17

Productivity Lump Sum Death Benefit

Upon the death of a member of the Pension Scheme a lump sum productivity benefit may be payable to an eligible spouse. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 of the date joined the scheme, if that date was after 1 January 1988.

Withdrawal Benefits

Members of the Pension Scheme who resign under 50 years of age have the option to:

- a) elect to preserve a police pension benefit, based on their accrued membership of the Pension Scheme, which will become payable after attaining 55 years of age; or
- b) elect to receive a withdrawal benefit equal to the balance of their member contribution account.

Preservation Pension Benefit Option

The percentage of fortnightly superannuation salary you have accrued during your period of membership of the Scheme to the date of resignation from SA Police can be preserved within the Pension Scheme. The preserved pension will become payable to you as a lifetime pension adjusted twice annually (April and October) in line with the Consumer Price Index (for Adelaide) from 55 years of age. The following table shows the estimated preserved pension percentage of superannuation salary payable from Age 55 based on the age at separation from SA Police.

Age of Joining		Age 35 at Separation	Age 40 at Separation	Age 45 at Separation	Age 50 at Separation
20	or under	22.20%	29.61%	37.01%	44.41%
21		21.33%	28.95%	36.57%	44.19%
22		20.41%	28.26%	36.11%	43.96%
23		19.43%	27.52%	35.62%	43.71%
24		18.38%	26.74%	35.10%	43.45%
25		17.27%	25.91%	34.54%	43.18%
26		16.08%	25.01%	33.94%	42.88%
27		14.80%	24.05%	33.31%	42.56%
28		13.43%	23.03%	32.62%	42.22%
29		11.96%	21.92%	31.88%	41.85%
30		10.36%	20.72%	31.09%	41.45%

Withdrawal Benefit

Members who elect to take a withdrawal benefit are also entitled to a lump sum benefit in accordance with the Superannuation Guarantee Charge (SG) legislation and a productivity lump sum benefit. The SGC benefit is a defined multiple of annual superannuation salary based on months of service since 1 July 1992. The SG benefit is compulsorily preserved and becomes payable, in cash, at age 55. The preserved SG lump sum benefits cannot remain with the Police Superannuation Scheme and must be rolled to a complying fund of the member's choice or the benefit can be rolled over to the State Government's Triple S scheme.

Productivity Lump Sum Withdrawal Benefit

Upon resignation from SA Police, members of the Pension Scheme are also entitled to a lump sum productivity benefit. The productivity benefit is a multiple of annual superannuation salary based on completed months of membership occurring after 1 January 1988 or the date joined commenced service with SA Police, if that date was after 1 January 1988. The productivity benefit is compulsorily preserved and becomes payable, in cash, at age 55. The preserved productivity lump sum benefit cannot remain with the Police Superannuation Scheme and must be rolled to a complying fund of the member's choice or the benefit can be rolled over to the State Government's Triple S scheme.

MEMBER COMMUNICATIONS

The Police Superannuation Board's aim is to provide members with accurate and up-to-date information on the Pension Scheme.

Police Superannuation Board Website

Information relating to the Pension Scheme is available on the Board's website which is located at www.policessuper.sa.gov.au

Police Superannuation Board Communications

The Board provides the following communications to members of the Pension Scheme:

Annual Contributor Information Statement

Annual Contributor Information Statements as at 30 June will be provided to members, prior to the legislated date of 31 October.

Report to Members

The Report to Members provides you with information on:

- The Scheme's investments and investment performance
- Fund crediting rates applied to your accounts
- Financial Statements
- Any changes that have occurred during the year
- Board members

Fact Sheets

Fact sheets are available from the Police Super website.

ADDITIONAL INFORMATION

Superannuation and Breakdown in Marriage

The Commonwealth Government's Family Law Act 1975, now provides for the division (splitting) of superannuation benefits in the event of a breakdown in marriage. Superannuation benefits do not have to be split and the sharing of other assets may avoid the splitting of a superannuation interest.

In cases where a decision is made to split a superannuation interest the provisions of the Police Superannuation Act enable a Non-member spouse (spouse of the member of the Pension Scheme) to have their share (a split) of a Member spouse (the member of the Pension Scheme) interest, as determined under a Superannuation Agreement or a Family Court Order. Under a Superannuation Agreement or a Family Court Order a split can be allocated as a dollar amount or a specified percentage.

In the splitting of a superannuation interest in the **“growth phase” (ie the Member Spouse is a contributing member of the Pension Scheme)** the Non-member spouse will receive a lump sum and that lump sum must be:

- a) rolled over to a nominated complying fund of choice; or
- b) rolled over to the State Government’s Triple S scheme as the default rollover option.

The lump sum paid on behalf of the Non-member spouse is subject to:

- Commonwealth taxation laws relating to untaxed superannuation funds; and
- Commonwealth preservation laws, which generally means the lump sum is payable when the Non-member spouse satisfies a ‘condition of release’ as set down in the Commonwealth’s Superannuation Industry Supervision Act.

In the splitting of a superannuation interest in the **“payment phase” (ie the Member Spouse has retired and is in receipt of a pension)** the Non-member spouse will have the option to:

- receive a share of the Member Spouse’s pension entitlement which ceases to be paid to the Non-Member Spouse when the Member-Spouse dies; or
- commute the entire share of the Member-Spouse’s pension to a lump sum; or
- convert the share of the Member-Spouse’s pension to an “associate pension” which is a pension payable in the Non-member Spouse’s own right i.e. payable to the Non-member for life.

The Non-Member Spouse is provided with full details of the above options and will have a period of up to three months to make a decision in respect of the above options.

Members of the Pension Scheme and their spouses or former spouses can obtain family law valuation information from SA Police Super to assist in obtaining a fair and equitable property settlement.

A Non-Member Spouse is disentitled to reversionary spouse benefits in the case of property settlement on account of a Commonwealth Family Law split of superannuation benefits. The *Police Superannuation Act 1990* – Section 38K- disentitles a spouse who has received a benefit under a splitting instrument i.e. the spouse is not considered an eligible spouse under s32(1) -Benefits payable on contributor’s death.

Commonwealth Government’s Super Co-contributions

The Commonwealth Government’s super co-contribution is designed to assist eligible individuals in building their retirement savings. If eligible, and where personal super contributions are made from an individual’s post-tax salary i.e. from a member’s net pay, during a financial year, the Commonwealth Government will match the post-tax-contribution with a super co-contribution up to certain limits. Members of the Pension Scheme who make post-tax contributions from salary may also be eligible if the assessable income (including reportable fringe benefits) is within the limits set down by the ATO.

Superannuation funds are obligated by legislation to provide the ATO the amount of post-tax contributions received from members at financial year end. The ATO uses this information to ascertain if a member is eligible for a co-contribution once the member lodges a tax return for that financial year. If eligible, the Australian Taxation Office will forward a Co-contribution payment to the member's nominated superannuation fund, and in the event, there is no nominated fund, Police Super will receive the co-contribution for processing. In line with both Police Super and Super SA legislation, on receipt of the cheque, Police Super must transfer the co-contribution payment to a Triple S account with Super SA in the member's name. Members will receive an annual Contributor Statement from Super SA containing details of co-contributions received. For further information regarding co-contributions refer to www.ato.gov.au

Payments of co-contribution are calculated by the Australian Taxation Office from details you submit on your taxation return and details of post-tax contributions paid to the Pension Scheme provided by SA Police Super. Payments of co-contribution will be paid into the Pension Scheme on your behalf and then transferred to Super SA's Triple S scheme on your behalf. For further information regarding co-contributions refer to www.ato.gov.au

Taxation on Lump Sum Payments

Taxation is payable on the "taxable untaxed component" of all lump sum superannuation benefits from the Scheme. The percentage of taxation to be deducted will depend on whether a member is *under their Commonwealth Preservation Age*, or *at or above their Commonwealth Preservation Age*; and whether or not the lump sum benefit is payable to the member in cash i.e. to the member's bank account, or whether the lump sum amount or part-amount thereof is rolled over to another superannuation fund.

A member's Commonwealth Preservation Age:

- is determined on the basis of a member's date of birth
- is age 55 for all members whose date of birth is before 1 July 1960
- will increase to age 56 from 1 July 2015 for members whose date of birth falls in the period 1 July 1960 and 30 June 1961; and thereafter increase each subsequent financial year up to age 60
- determines the tax rate to be applied to lump sums (i.e. productivity and commutation), depending on the member's CPA, and whether taken in cash or rolled-over to another super fund
- does not impact on the tax payable on police pension benefits regardless of a member's CPA

If a member's date of birth is...	the Commonwealth Preservation Age is ...
before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
after 30 June 1964	60

The table below illustrates the amount of taxation payable on superannuation lump sum benefits taken in cash effective 01 July 2021 (www.ato.gov.au).

ETP Component	under Commonwealth Preservation Age	at or above Commonwealth Preservation Age & under 60 years	Age 60 years & over
(1) Tax free component	Tax free	Tax free	Tax free
(2) Taxable untaxed component	Taxed at 30% *(plus 2%)	up to \$245,000 taxed at 15% *(plus 2%) over \$245,000 taxed at 30% *(plus 2%)	up to \$1,780,000 taxed at 15% *(plus 2%) over \$1,780,000 taxed at 30% *(plus 2%)
Post 30 June 1994 invalidity	Tax Free	Tax free	Tax Free

***plus 2 % Medicare levy** is payable on the taxable components of a lump sum ETP where an amount is paid in cash to the member (i.e. 17% taxation withheld). Amounts rolled over to another superannuation fund are taxed at 15% of the taxable component.

GLOSSARY OF TERMS

Co-contributions

Co-contributions may be paid by the Commonwealth government on behalf of a member if the member makes post tax contributions to the scheme and the member's assessable income and reportable fringe benefits in the income year are within certain limits set down by the Australian Taxation Office. See Commonwealth Government's co-contributions www.ato.gov.au

The account consisting of Co-contributions plus interest earned is a Triple S account held within Super SA. www.supersa.sa.gov.au

Commonwealth Superannuation Guarantee

The minimum level of superannuation contributions required to be provided to employees by employers, as defined by the *Superannuation Guarantee (Administration) Act 1992 of the Commonwealth*.

Commutation of Pension

You have the option to convert part or all of your pension benefit to a lump sum. You must advise SA Police Super of your intention to commute:

- no later than 3 months after retirement for a retirement benefit;
- no later than 6 months after date of death for a death benefit payable to a spouse;
- no later than 3 months after retirement, on the grounds of permanent invalidity;
- no later than 3 months after your 55th birthday for permanent invalidity benefit.

Consumer Price Index (all groups Adelaide)

An index calculated by the Australian Bureau of Statistics, which measures the variation in the cost of living for Adelaide. It is a price index of the cost of a fixed basket of consumer goods.

If the variation in the Consumer Price Index (all groups Adelaide) for a particular year is negative, the Minister has the power under the Act to withhold the application of the negative adjustment to avoid a decrease in pension payments. In cases where the Minister withholds a negative adjustment, the next positive adjustment will be reduced to take this into account.

Defined Benefit Scheme

A defined benefit superannuation scheme is a scheme which provides superannuation benefits, based on length of membership and salary at the date of retirement. Defined superannuation benefits are not affected by investment returns or crediting interest rates.

Full-time Student

Between the ages of 16 and 25 years, and studying full time at an educational institution recognised by the Board for the purposes of education.

Funds SA

Funds SA is a statutory authority which manages the investment of contributions to schemes controlled by the Police Superannuation Board, and is established under the *Superannuation Funds Management Corporation of South Australia Act 1995*.

Member Contributions

Member contributions are deducted from salary as a post-tax deduction.

Member Contribution Account

The account that is allocated to you and holds your Member Contributions plus interest earned. *See Member Contribution Account.*

Member Spouse

The partner to a legal marriage who is a member of the Pension Scheme.

Non-member Spouse

The spouse or former spouse of a legal marriage who may or may not be a member of the Pension Scheme.

Preserved Benefits

A preserved benefit generally is not payable until the member attains 55 years of age. A preserved benefit may be payable prior to age 55 in the event of total and permanent incapacity for work. In the case of death, reversionary benefits are payable to eligible beneficiaries, or the estate.

Salary Sacrifice

Personal pre-tax contributions made from your salary before Pay As You Go tax is deducted. Pre-tax contributions are classified by the Australian Taxation Office as employer payments and therefore reduce your annual salary for taxation purposes.

Superannuation Interest

The value of an accrued benefit in the Pension Scheme.

Untaxed Fund

The Pension Scheme is an untaxed fund which does not pay the Commonwealth Government's superannuation tax on employer contributions and investment returns.

Undeducted Contributions

Personal post-tax contributions paid into the Pension Scheme from 1 July 1983 to the date of separation from the SA Police.

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Disclaimer

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