

## Superannuation Pension Changes

The information provided below is general in nature only and does not take into account specific circumstances which may impact their application. They should not be relied upon as specific advice. Neither the firm nor any of its employees accepts any liability for any loss or damage to any person as a result of reliance on the information below.

The government has announced that the minimum levels of pensions required to be taken from a superannuation fund are to be reduced for the 2009 financial year. This means that if you are in receipt of a pension from your fund and you don't "need" all the funds to live on you can take less for this year only. If you have taken more than 50% of the minimum already you may be able to stop taking any further payments for the rest of the year.

This can be an advantage given the decrease in capital values in superannuation funds this year and especially so if you are selling down capital to meet the minimum pension payments. You are not allowed to put back into the fund pension amounts already taken so that you reduce your pension to the new limits for the full year.

The minimum pension amount for the 2009 year is based on your balance in the superannuation fund as at 1 July 2008. The new pension minimums for 2009 only are set out below.

If you think you would like to take advantage of this reduction please contact us to discuss the arrangements and calculations that need to be done.

| Age at Commencement of Pension or 1 July Last | Prescribed Percentage |
|---|-----------------------|
| Under Age 65                                  | 2.0%                  |
| 65 – 74                                       | 2.5%                  |
| 75 – 79                                       | 3.0%                  |
| 80 – 84                                       | 3.5%                  |
| 85 – 89                                       | 4.5%                  |
| 90 – 94                                       | 5.5%                  |
| 95 or more                                    | 7.0%                  |

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