



Transition to retirement

Who should read this?

Contributing members who are considering transition to retirement.

What is in this fact sheet?

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What you should know up front

It is important that you read the disclaimer at the end of this fact sheet. Before making any decisions, please read the **CSS product disclosure statement** and consider seeking advice from a licensed professional such as a financial planner, accountant or solicitor.

What are the Government's transition to retirement arrangements?

The Government's transition to retirement arrangements permit superannuation schemes to allow members who have reached their preservation age (see *Table 2*) to start receiving their superannuation benefit whilst remaining employed by the same employer, provided that the benefit is paid in the form of an income stream, such as a pension which cannot be converted to a lump sum.

Do the CSS rules allow payment of a benefit under the transition to retirement arrangements?

The CSS governing rules have not been changed since transition to retirement and therefore do not allow such payment to be made to contributing members.

However, under the current rules, in certain limited circumstances, members can cease their contributory membership of the CSS and become entitled to payment of a benefit whilst remaining employed by the same employer.

In what limited circumstances does the CSS offer transition to retirement arrangements?

There are limited circumstances where CSS contributing members may be able to cease contributory membership while remaining employed by the same employer. These are:

1. Joining another employer sponsored superannuation scheme

You are able to cease your CSS contributory membership if your employer allows you to join another employer sponsored superannuation scheme, and your employer contributes more than the required 9% Superannuation Guarantee to that scheme.

This option only applies if your employer is able to participate in superannuation arrangements other than Commonwealth superannuation arrangements and transferring to another employer sponsored scheme is allowed under the terms and conditions of your employment. These circumstances do not apply to Australian Public Service (APS) employees.

2. Changing to temporary part-time or casual employment

You are able to cease your CSS contributory membership if your employer allows you to change your employment conditions so that you are no longer eligible to contribute to the CSS, that is, become a temporary part-time or casual employee. Temporary part-time and casual memberships are not covered by the CSS.

Therefore, in this situation, it is possible for you to cease your CSS contributory membership even though you remain employed by the same employer.

If the limited circumstances apply to me, what are my benefit options?

If you have not reached your minimum retirement age

When you cease your CSS contributory membership without ceasing your employment, then you can preserve (defer) your benefit in the CSS.

When you reach your preservation age, you can then claim your deferred benefit and start receiving your CSS deferred age pension, even though you are still employed by the same employer.

Any lump sum component of your benefit must, however, be rolled over until your employment ceases because the Transition to Retirement arrangements only apply where the benefit is taken as a pension.

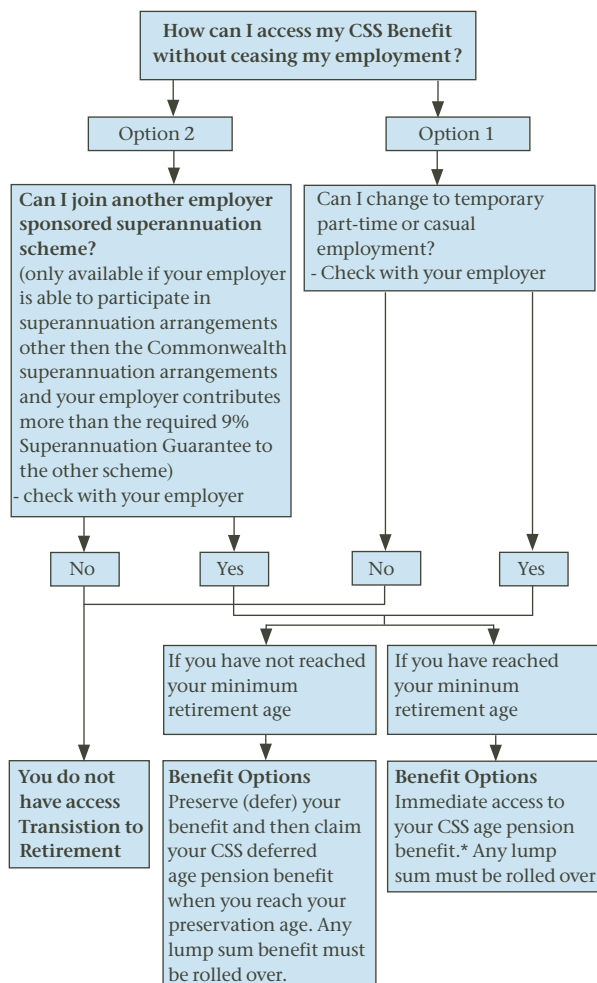
If you have reached your minimum retirement age

When you cease your CSS contributory membership without ceasing employment, provided you have also reached your preservation age*, you can immediately start receiving your CSS age retirement pension.

Any lump sum benefit must, however, be rolled over because the Transition to Retirement arrangements only apply where the benefit is taken as a pension.

* Different arrangements may apply for members who have a minimum retirement age which is less than age 55 – further details can be obtained by calling us on 1300 000 277.

Table 1



* Different arrangements may apply if your minimum retirement age is less than age 55.

What is my preservation age?

Your date of birth	Your preservation age
Before 1 July 1960	55 years
1 July 1960 to 30 June 1961	56 years
1 July 1961 to 30 June 1962	57 years
1 July 1962 to 30 June 1963	58 years
1 July 1963 to 30 June 1964	59 years
After 30 June 1964	60 years

Will other CSS members be able to access a benefit under the transition to retirement arrangements?

Whether or not the rules will be changed is currently under review. Any decision on the issue and the timing of any changes is a matter for Government policy. If the Government announces changes to allow transition to retirement arrangements for all CSS members, we will notify members via our website.

What forms do I need to complete?

If you are ceasing your CSS membership without ceasing your employment, you must complete the form **Cessation of membership (SR2-CSS)**.

If you are claiming your deferred benefit and you have not ceased your employment you must complete the form **Deferred benefit – continuing with same employer (CDA3-CSS)**.

You can obtain these forms from your personnel section or by visiting the **Forms and publications** section at www.css.gov.au, or call us on 1300 000 277

How do we pay you?

Pensions must be paid into an Australian bank account*. The account should be in your name or it may be a joint account, provided you are one of the account holders.

* Please do **not** nominate a mortgage account to receive your lump sum.

Where can I get more information?

EMAIL members@css.gov.au

PHONE 1300 000 277

FAX 02 6272 9612

MAIL CSS
PO Box 22
Belconnen ACT 2616

WEB www.css.gov.au