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# Transfer amounts

## What are Transfer Amounts?

A transfer amount is all or part of another superannuation benefit you can pay into the Military Superannuation and Benefits Scheme (MilitarySuper).

A transfer amount can be accepted from:

- another regulated superannuation fund
- an Approved Deposit Fund
- a Retirement Savings Account
- the Special Account (previously called the Superannuation Holding Account Reserve or SHAR).

Note that 15% tax will be deducted from any untaxed portion of the transfer amount on receipt. Amounts transferred into MilitarySuper from other superannuation funds will not count towards the contribution caps. (The transferring fund will withhold tax at the top marginal tax rate for amounts over \$1 million.)

The benefit is paid into MilitarySuper as the DFRDB scheme does not have a fund. You continue to be a DFRDB member and also become a beneficiary of the MilitarySuper scheme.

You cannot transfer a DFRDB benefit into MilitarySuper as the DFRDB scheme is not a regulated superannuation fund.

## Who can Transfer Amounts?

To be able to transfer amounts into the DFRDB scheme you must be a current contributing DFRDB member. You cannot transfer amounts into the DFRDB scheme if you are a preserved benefit member.

## What do I get?

You will get another benefit in addition to your DFRDB benefit. This benefit is only payable as a lump sum, not as a pension.

The benefit comprises the net amount you transferred in and MilitarySuper investment returns.

Investment returns may be negative from time to time and as a consequence the value of the benefit will rise and fall. It is therefore possible that the benefit might be less than the amount you transferred, particularly over a shorter term.

The benefit is subject to tax when it becomes payable, at the same concessional rates that apply to other superannuation benefits.

## How do I arrange a transfer?

You will need to contact the holder of your other benefit and fill in their paperwork asking for the benefit to be transferred to MilitarySuper.

You should also send a completed **Application to Pay in a Transfer Amount** form (**MACo2**) so your payment can be clearly identified on receipt and we can contact the payer if we need to.

The transfer amount will usually be paid direct to MilitarySuper and we will let you know when it has been received.

## How is it invested?

You have a choice of four investment options. You can invest in one or a combination of these options. You can even have a different option for your existing contributions account and future contributions.

Initially, the transfer amount will be invested in the 'Default' option which is the Balanced option.

You can switch to another option at any time, free of charge, using Member Services Online (you will need an access number), or the **Member Investment Choice** form (**MIC1**). The Commonwealth Superannuation Corporation may introduce a fee to switch investment options in the future but you will be notified in advance if this happens.

You should refer to the **MilitarySuper Product Disclosure Statement (PDS)** before considering your investment choices. You may also wish to consult a licensed professional, such as a financial planner, solicitor or accountant, to determine which options best suit your personal circumstances.

### When can I get the benefit?

Generally, the benefit cannot be paid until you permanently retire from the workforce after reaching your preservation age. This could be a considerable time after your DFRDB benefit is paid.

Your preservation age is based on your date of birth, as shown in the following table:

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 1964—30 June 1964	59
After 30 June 1964	60

All or part of the benefit may be paid to you earlier, provided you have left the Defence Force:

- if you become totally and permanently incapacitated
- on severe financial hardship grounds
- on compassionate grounds.

You can also claim the benefit if you cease or change employment after reaching age 60. The benefit must be paid out when you reach age 65. In the event of your death, the benefit will be paid to:

- your dependants, or
- a dependent person(s) you nominated in writing and included in your will, or
- your estate.

### Can I rollover the benefit?

You can rollover the benefit at any time, even before you leave the Defence Force. Note that access to the benefit from the rollover institution will be subject to the same preservation conditions as outlined above.

### What else could I pay?

Additional personal contributions are one of a range of voluntary contributions (collectively called ‘ancillary contributions’) you can now pay. Separate fact sheets are also available for:

- Salary Sacrifice Contributions
- Transfer Amounts
- Spouse Contributions.

### Where can I get the PDS and forms?

The PDS and forms referred to in this fact sheet are available on the MilitarySuper website at **militarysuper.gov.au**

### If you need more information...

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