

## **Superannuation withdrawal for temporary residents leaving Australia**

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**Temporary** residents who leave Australia may be able to withdraw the super they accumulate during their stay in Australia. If you are/were a temporary resident of Australia with money in a super fund, read on to find out whether you are eligible to withdraw your super upon leaving Australia. Interestingly, there is no equivalent provision for the withdrawal of super, upon a **permanent** resident leaving Australia.

### **What is superannuation?**

In Australia, superannuation is a way of individuals saving for their own retirement. An individual's employer is usually required to contribute to their employee's super by making payments into a fund, in addition to the salary or wages an individual is paid.

If you are under 70, work full-time, part-time or on a casual basis, and earn \$450 or more in a month, your employer may be required to make super payments of around 9% of your ordinary time earnings for you.

### **Can temporary residents who leave Australia access their super?**

Persons who are holders of a temporary visa under the *Migration Act 1958* (Cth) (excluding subclasses 405 and 410), and have permanently left Australia as their visa has expired or been cancelled, are eligible to claim back or withdraw any super moneys they have accumulated while working in Australia (section 67A of the *Small Superannuation Accounts Act 1995* and regulation 6.01B of the *Superannuation Industry (Supervision) Regulations 1994*).

All payments of super will be subject to withholding tax (sections 4 and 5 of the *Superannuation (Departing Australia Superannuation Payments Tax) Act 2007*). However, it may be possible even after having withdrawn your super to return to Australia on another visa.

However, an individual is not eligible to access their super if, at the time of making the application, they are:

- an Australian citizen
- a New Zealand citizen
- a holder of a temporary or permanent visa who is currently in Australia
- a temporary resident who has left Australia and receives an income stream, or
- a holder of a retirement visa (regulation 6.01B of the *Superannuation Industry (Supervision) Regulations 1994*).

Your super fund, retirement savings account (RSA) or approved deposit fund (ADF) will generally hold your super for 6 months after your departure or the cancellation or expiration of your visa. If your super remains unclaimed after 6 months, your fund may pay your super to the ATO (Part 3A of the *Superannuation (Unclaimed Money and Lost Members) Act 1999*). You may still claim your money by applying to the ATO rather than your fund, RSA or ADF.

## **Applying for payment**

If you wish to apply for your super after you leave Australia, first contact your super fund to find out where your super is. You may apply for payment of your super either online using the DASP online application system on the ATO website or by submitting a hard copy application.

If your super is with your super fund, use the 'Applying for a Departing Australia superannuation payment' form; if your super is with the ATO, use the 'Application for payment of unclaimed super-individual' form.

If you have already met another condition of release for your super, you do not need to apply under this scheme. However, from 1 April 2009, only a limited range of conditions of release will be available to temporary residents, including death

and permanent or temporary incapacity. Retirement and attaining age 65 are among the conditions that are no longer available to temporary residents (regulation 6.01B(3) of the *Superannuation Industry (Supervision) Regulations* 1994).

Also, if the super you have accumulated is less than \$200, as a small account, you may be able to access it under the preservation rules of the fund or RSA.

If your application has been lodged correctly, your fund or RSA is required to process your claim within 28 days of receipt of the application. Upon approval, you should receive a cheque for the amount of the super payment less any tax payable and a payment summary.

For more information please contact us.