

Because you're a member, your eligible spouse can also enjoy the benefits of our exclusive not-for-profit super funds.

### What products can my spouse access at ESSSuper?

An eligible spouse (including defacto and same sex partner) can open a Accumulation Plan, Working Income Stream and Retirement Income Stream account.

#### ESSSuper's Accumulation Plan

An Accumulation Plan account allows you to build up or consolidate your super with access to nine investment options. The Accumulation Plan also offers Death, Total and Permanent Disability (TPD) and Income Protection insurance. Further details can be found in the *Accumulation Plan Product Disclosure Statement*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

#### ESSSuper's Working Income Stream

This product allows you to convert part or all of a preserved superannuation lump sum into an income stream, even if you are still working. You generally need to have reached your preservation age to use this product. Many members use a Working Income Stream when they have decided to reduce their working hours, and need to top up their income. Further details can be found in the *Working Income Streams fact sheet (FS015)* available from our website at [esssuper.com.au/publications](http://esssuper.com.au/publications), or the *Income Streams Product Disclosure Statement*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

#### ESSSuper's Retirement Income Stream

This product can provide a regular income for ESSSuper members who have attained their preservation age and permanently retired from the workforce or meet another condition of release. Further details can be found in the *Retirement Income Streams fact sheet (FS010)* available from our website at [esssuper.com.au/publications](http://esssuper.com.au/publications), or the *Income Streams Product Disclosure Statement*, available from our website at [esssuper.com.au/pds](http://esssuper.com.au/pds)

### Strategies for spouse accounts

Members and their spouses can meet with a Member Education Consultant and discuss their super options at no cost. The following strategies may help you decide if an account with ESSSuper is suitable for your spouse.

#### 1. Consolidate your super

If your spouse has super accounts elsewhere, they may find it beneficial to consolidate them. This might help save on fees and monitoring investment performance. Members of the ESSSuper Accumulation Plan have the option to transfer insurance from other funds, subject to eligibility conditions contained in the Accumulation Plan Insurance guide.

Your spouse should check if cancellation of their account will affect any insurance cover or other benefits they have with that fund.

They can start consolidating their super by logging into their Members Online account at [esssuper.com.au/login](http://esssuper.com.au/login). Alternatively, they can download the *Transfer your super (ES104)* form which is available on our website at [esssuper.com.au/forms](http://esssuper.com.au/forms)

#### 2. Contributions splitting

In some circumstances a contributing member of a super fund may transfer up to 85% of their concessional contributions (e.g. employer and salary sacrifice) into their spouse's superannuation account.

This may be useful in situations where one spouse has a smaller account balance. By splitting contributions the accounts become more evenly balanced and you can make the best use of the tax free thresholds. In addition your spouse may wish to maximise their super.

Defined benefit fund contributions can't be used for contributions splitting and contributions splitting counts towards your concessional cap (not your spouse's).

### Case study

Sue, an ESSSuper member, and Peter, her spouse, are both 57 and are planning to retire in the new financial year. At a previous meeting two years ago, Peter opened an Accumulation Plan account as an eligible spouse of Sue. He and his employer have been contributing to it since then.

Both Sue and Peter salary sacrificed \$15,000 each into their own Accumulation Plan accounts this year. Their total superannuation account balances are \$400,000 and \$100,000 respectively.

As both Sue and Peter would like to draw down funds to enjoy their retirement, they decide to split \$10,000 of Sue's \$15,000 contribution into Peter's super, prior to retiring.

The benefit of this is that Peter will now have more money that he can access within his lump sum tax free threshold.

The lump sum tax free threshold is \$225,000 of the taxable component each in the 2021/22 financial year and this can be utilised where you have retired after your preservation age and before age 60.

### Your spouse or partner won't pay account keeping or administration fees for 12 months

You can share the benefits of being in the ESSSuper family by referring your spouse or partner to join our exclusive, not-for-profit super fund. A spouse or partner joining our Accumulation Plan or Income Stream will receive a rebate on the account-keeping and administration fees for the first year of joining. This will be a rebate of \$52 for the accountkeeping fee and 0.25% of the account balance for the administration fee.

The referring member will also receive a rebate of \$52 on the account-keeping fee for any Accumulation Plan or Income Stream account held in their name for a period of 12 months.

To learn more about the benefits of a spouse account or to join, please refer to the Accumulation Plan or Income Streams Product Disclosure Statements available on our website at [esssuper.com.au/pds](https://esssuper.com.au/pds).

## 3. Spouse contribution

Contributing to your spouse's super may earn you a tax offset that reduces your tax. The offset applies to after-tax contributions of up to \$3,000 per year on behalf of an eligible spouse.

To receive the full 18% offset of \$540, your spouse must earn less than \$40,000. Once their income exceeds \$37,000, the offset reduces dollar for dollar and stops at \$40,000.

To qualify for the offset some of the key considerations and requirements are:

- you must contribute directly to your spouse's super

- your spouse's assessable income (plus reportable fringe benefits) must be less than \$40,000 for the financial year
- you must both be Australian residents for tax purposes when you contribute
- if you contribute to your spouse's super, it counts towards your spouse's non-concessional contributions cap
- the spouse tax offset cannot be claimed if the spouse receiving the contribution has a total super balance of \$1.7 million or more before the start of the financial year in which the contribution is made.

The receiving spouse has to be under the age of 67, or if they are between 67-74 they must meet work test requirements.

### Things to consider

- If you are transferring super to ESSSuper from another super fund, it's worth checking that you do not lose any insurance when transferring your super, and ensure that you have your new insurance<sup>1</sup> activated with ESSSuper before closing the old account.
- Your account balance may be affected by market fluctuations. It is important to match your tolerance for risk, with your choice of investment options. Make an appointment to see an ESSSuper Member Education Consultant for general advice about your super, or with an ESSSuper Financial Adviser<sup>2</sup> for personal financial advice. Our Investment Choice and Fees brochure may also assist you with this.

<sup>1</sup> Insurance cover is subject to eligibility criteria and other terms and conditions in the Policy. Please read the Accumulation Plan Product Disclosure Statement, available from ESSSuper, for more information.

<sup>2</sup> ESSSuper Financial Advisers are authorised representatives of Link Advice Pty Ltd (Link Advice). Link Advice holds a current Australian Financial Services Licence No. 258145 and is responsible for the financial services provided to you by it or its authorised representatives. ESSSuper has an arrangement with Link Advice Pty Ltd to provide financial advice to ESSSuper members. ESSSuper pays Link Advice a fee for this service. Neither the Board, nor the Victorian Government, guarantee or endorse any recommendations made by Link Advice/its authorised representatives, or are responsible for the advice and actions of Link Advice/its authorised representatives.

### Here to help

For more information please download the *ESSSuper Income Streams and Accumulation Plan Product Disclosure Statements* from our website at [esssuper.com.au/pds](https://esssuper.com.au/pds), or call our Member Service Centre on 1300 650 161 (emergency services members) or 1300 655 476 (state super members).

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