

Coronavirus update - 23 March 2020

Federal Government announces

- eligible members can access their super
- reduction in minimum drawdown requirements for account-based pensions

Eligible members to access their super

The Federal Government will allow individuals in financial stress as a result of the Coronavirus to access up to \$10,000 of their superannuation in 2019-20 and a further \$10,000 in 2020-21.

Applications to access superannuation under this initiative can be made from mid-April this year. Applications will be processed by the Australian Taxation Office (ATO) and submitted using the [myGov](#) website.

Eligibility criteria

To apply for early release, you must satisfy any one or more of the following requirements:

- you are unemployed, or
- you are eligible to receive a job seeker payment, youth allowance for jobseekers, parenting payment (which includes the single and partnered payments), special benefit or farm household allowance, or
- on or after 1 January 2020:
 1. you were made redundant or
 2. your working hours were reduced by 20 per cent or more; or
 3. if you are a sole trader — your business was suspended or there was a reduction in your turnover of 20 per cent or more.

Payment process

Individuals apply to the Australian Taxation Office (ATO) using the [myGov](#) website and will need to certify that they meet the above criteria.

The ATO will assess the application and decide if individuals if they are eligible to access their super. The ATO will also provide a copy of this decision to the individual's super fund so it can release of the funds directly to the member using contact details retained by the fund.

Members will have to provide their fund with proof of their identity. The amounts are tax-free and don't affect Centrelink payments.

Should you want to make an application to access your super, you may first wish to seek financial advice.

Reduction in minimum drawdown requirements for account-based pensions

The Federal Government is temporarily reducing superannuation minimum drawdown requirements for account-based pensions and similar products by 50 per cent for 2019/20 and 2020/21.

Retirees with account-based pensions and similar products will benefit as there will be a reduced need to sell investment assets to fund minimum drawdown requirements.

Age	Default minimum drawdown rates (%)	Reduced rates by 50% for the 2019/20 and 2020/21 income years (%)
Under 65	4	2
65-74	5	2.5
75-79	6	3
80-84	7	3.5
85-89	9	4.5
90-94	11	5.5
95 or more	14	7

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