

INFORMATION FOR RETIREES

Please note - the information below is current as at Friday 3rd April 2020

Federal Government's Economic Response to Coronavirus – announced 12 March and 22 March - LEGISLATION PASSED 23 MARCH.

Applying to Superannuation pension and age pension recipients

Per the ATO: *“The government is temporarily reducing superannuation minimum drawdown requirements for account-based pensions and similar products by 50% for 2019–20 and 2020–21. This measure will benefit retirees holding these products by reducing the need to sell investment assets to fund minimum drawdown requirements.*

The government is also reducing both the upper and lower social security deeming rates by a further 0.25 percentage points in addition to the 0.5 percentage point reduction to both rates announced on 12 March 2020.”

For SMSF pensioners we can advise your reduced 2019-20 pension minimum drawdowns and will be sending further detail on this measure as soon as possible.

Details can be found on the following links:

<https://www.ato.gov.au/General/COVID-19/Support-for-individuals-and-employees/#Reducingsuperannuationminimumdrawdownrat>

<https://treasury.gov.au/coronavirus/households#super>

<https://treasury.gov.au/coronavirus/households#deeming>

Bank Assistance

The Australian Banking Association advises “Australian banks have hardship teams ready to help. If you’re dealing with the impact of the COVID-19 pandemic, or drought, bushfire or flood, there are practical ways your bank can help. The type of assistance will depend on individual circumstances”. We encourage you to contact your bank to discuss your circumstances and options.

Details can be found on the following link which contains direct links to most bank websites:

<https://www.ausbanking.org.au/campaigns/financial-hardship/>

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