Superannuation Access and Coronavirus Support

What's the deal with the superannuation changes? Can I now access my super?

Under the changes announced in the second package, the government will allow individuals "in financial stress" as a result of the coronavirus downturn to have limited access to their superannuation savings.

The amount you can access will be capped at $10,000 of your superannuation in 2019-20 and a further $10,000 in 2020-21.

How do I prove I am financially distressed?

You will be able to access your super if you are unemployed or eligible to receive a jobseeker payment, youth allowance for jobseekers, parenting payment (which includes the single and partnered payments), special benefit or the farm household allowance.

Additionally, if after 1 January 2020 you were made redundant or your working hours were reduced by 20% or more you will also be granted access.

Sole traders that have their business suspended or have a reduction in turnover of 20% or more are also eligible.

How do I access my savings?

Eligible individuals will be able to apply online through MyGov for access of up to $10,000 of their superannuation before 1 July 2020.

They will also be able to access up to a further $10,000 from 1 July 2020 for another three months.

They will not need to pay tax on amounts released and the money they withdraw will not affect Centrelink or veterans' affairs payments.

What if I am a retiree?

The government is also announcing a temporary reduction in superannuation minimum drawdown rates for account-based pensions and similar products.

This will be a 50% reduction in the rate for 2019-20 and 2020-21, which the government says will benefit retirees by providing them with more flexibility as to how they manage their superannuation assets.

And deeming rates for pensioners? How are they affected?

If you are not sure what deeming rates are, click here for more information. As of 1 May 2020, the lower deeming rate will be 0.25% and the upper deeming rate will be 2.25%.