

We'll help you to transfer your UK pension account to AustralianSuper

If you've moved from the United Kingdom (UK) and you're now an Australian resident, there could be good reasons to transfer your UK pension account to AustralianSuper. We can help you do this.

Why should you transfer money from your UK pension account to Australia?

Make your super easier to manage

If you intend to live in Australia and have a pension account in the UK, it might be simpler to transfer that account to an AustralianSuper account rather than leaving your money in the UK.

You could pay less tax

If you receive payments from your pension account in the UK while you're living in Australia, they could be taxed at up to 46.5% (including the Medicare levy). This is because the payments will be taxed as income by the Australian Taxation Office.

But payments from an Australian Pension or super account made after age 55 are taxed at a lower rate than normal income. And once you turn age 60, these payments are tax-free. (These rates are correct as at 30 June 2012.)

Are you eligible to transfer your UK pension account to AustralianSuper?

You're eligible to transfer your UK pension account if you:

- > are now an Australian resident
- > give your Tax File Number to AustralianSuper, and
- > are under age 75 when we receive your UK pension account (if you're over age 65 you just need to have worked at least 40 hours during a period of 30 consecutive days in the financial year that we receive your money).

How do UK pension account transfers work?

UK pension account is invested in a Personal Plan account, separate from your other Australian super account.



Any payments from this Personal Plan account made in the first ten years are automatically reported to the UK Government.



Payments made after ten years will only be reported if you tell us you're still a UK tax resident or have been so in the last five years.

We have an ongoing obligation to keep the UK Government informed about pension accounts transferred to AustralianSuper. That's why pension accounts transferred from the UK can't be combined with other AustralianSuper accounts.

We're also required to report any future payments that are made from your account to the UK Government. These include:

- > cash payments made directly to you
- > rollovers or transfers to another super fund, and
- > payments made to beneficiaries in the event of your death.

If you're considered to be a UK tax resident at the time a payment from your AustralianSuper account is made, you may have to pay tax to the UK Government on this payment.

How to transfer your UK pension to AustralianSuper

Step 1 Open a Personal Plan account

Open your account online at www.australiansuper.com/join or fill in the *Join AustralianSuper* form from the *Personal Plan Product Disclosure Statement* available by calling us.

Step 2 Get and fill in the UK fund transfer forms (both ways to do this are shown)

Contact your UK fund and ask for the forms you need to transfer your pension account.

When you receive the forms from your UK fund, fill in the member/policy holder sections and send the documents to us.

We'll complete our sections of the forms and forward the documents to your UK fund. **Or...**

You can fill in the attached *Transferring your UK Pension account to AustralianSuper* form and we'll ask your UK fund for the forms for you.

Once we receive your forms from the UK fund, we'll highlight the sections you need to complete. Then just send the documents back to us and we'll forward them to your UK fund.

Step 3 Decide how to pay tax on an assessable amount (if required)

Once your UK fund transfers your pension account to AustralianSuper, you may need to pay tax to the Australian Taxation Office. If so, you can choose to pay:

- > through AustralianSuper at the contributions tax rate of 15% – to do this complete the Australian Taxation Office's Tax payable on a foreign super transfer form and send it to us, or
- > at your marginal tax rate of up to 46.5% – to do this just include the transfer on your income tax return.

See the information overleaf for more about Australian tax.

Australian and UK tax information

UK tax

The UK Government will let you know if you need to pay any tax on the transferred amount. Any tax bill you receive will be sent directly to you for you to pay:

- > For the UK financial year to April 2012, transfers less than £1.8 million will be tax-free. This will reduce to £1.5 million for the UK financial year to April 2013. These limits are set by UK Treasury each year.
- > Transfers above these limits will be taxed at 25%.

The UK Government will also let you know if you need to pay tax to them when you receive a payment from your AustralianSuper account once it has been transferred from the UK.

You may be charged UK tax if you were a UK tax resident at any time in the five years before receiving a payment from super.

For more information on UK tax, contact HM Revenue & Customs directly at www.hmrc.gov.uk or on +44 135 535 9022. Please have your UK National Insurance number on hand.

Australian tax – resident for less than six months

If you've been an Australian resident for less than six months, your transfer will be tax-free in most cases, as long as your money is transferred from a UK pension fund within six months of you becoming a resident. This means you won't need to include it on your Australian tax return.

Australian tax – resident for six months or more

If you've been an Australian resident for more than six months, you may need to pay tax on the part of your transfer known as the 'assessable amount'.

The assessable amount is any investment earnings that have been applied to your UK pension account between the date you became an Australian resident and the date your money is transferred to Australia.

You'll need to include your assessable amount in your Australian tax return for that year. Contact your UK fund and the Australian Taxation Office to find out your assessable amount.

Frequently asked questions

How long will it take to transfer money from your UK pension fund?

The transfer process can take anywhere between six weeks to four months.

If your UK pension fund sends us an electronic payment, it will take about two weeks to process the payment. If your UK pension fund sends us a cheque, it can take six to eight weeks to process the payment while the UK and Australian financial institutions involved clear the cheque and release the money to us.

How much money can you transfer from your UK pension account to AustralianSuper?

The minimum amount you can transfer from a UK pension account to us is \$1,000. There's no limit on the maximum amount you can transfer. But as your UK pension account is a 'non-concessional' contribution, there are limits for Australian contribution tax purposes:

- > The non-concessional contribution limit is \$150,000 each financial year.
- > If you're under 65 years old, you can make three years' worth of after-tax contributions and make a contribution of up to \$450,000 in one financial year.
- > Any additional contributions above these are taxed at 46.5% (including the Medicare levy).

Does AustralianSuper charge to transfer UK pension accounts?

No, we don't charge you to transfer your UK pension account to AustralianSuper.

However, you may be charged bank fees and the value of your pension account transferred will be affected by exchange rates at the time of transfer. Exchange rates can't be negotiated due to the nature of this kind of international transaction.

How do you know AustralianSuper is authorised to accept transfers?

AustralianSuper is recognised by UK authorities as a Qualifying Recognised Overseas Pension Scheme (or QROPS). Our registration number is 500304.

What happened if you transfer to a non-authorised fund?

If you transfer your UK pension into a super fund that is not authorised to accept transfers you could incur penalties and charges from the UK Government of up to 55% of your balance.

Can you withdraw my money from your Personal Plan account?

Like all super accounts, access to your super before you turn age 55 will be limited. This might be different to the rules that apply to your UK pension. To find out about accessing your super savings in Australia and the rules that apply, visit www.australiansuper.com/AccessSuper



For more information

If you have any questions, we're here to help.

Call: 1300 300 273

Secure email: www.australiansuper.com/email

Web: www.australiansuper.com

Mail: UK Pension Schemes
GPO Box 1901
MELBOURNE VIC 3001

To find out more visit the ATO's superannuation website at www.ato.gov.au/super

This document is of a general nature and does not take into account your personal objectives, situation or needs. Before making a decision about AustralianSuper, consider your financial requirements and read our Product Disclosure Statement, available at www.australiansuper.com/forms or by calling 1300 300 273.

AustralianSuper Pty Ltd ABN 94 006 457 987 AFSL 233788, Trustee of AustralianSuper ABN 65 714 394 898. Industry SuperFund logo used with permission of Industry Fund Services (IFS). This consent had not been withdrawn at the date of publication.