

# SPEC Super Account Based Pension Worksheet



## POST-RETIREMENT

### Step 1

#### Calculate your Minimum Annual Payment

Once you start a Pension a minimum annual payment is required to be paid as a benefit each year to ensure your capital is generally drawn down over time. If you commence your Pension at any date other than 1 July, your minimum annual payment for the year will be pro-rata based on the number of days in that year. This amount will be rounded to the nearest \$10.

Each subsequent 1 July your minimum annual payment is recalculated on your age and Account Balance at the time. You again have the choice of nominating the level of income you receive as long as it is equal to or above the minimum annual payment. In Post-Retirement there is no maximum other than the balance of your account.

#### Your minimum annual payment calculation:

##### Working Example

Geoff is 55yo and has a \$215,687 superannuation Account Balance on 30 June 2009. What is the minimum annual payment Geoff must withdraw from his Account Based Pension?

To calculate the minimum annual payment we multiply Geoff's Account Balance by his relevant Payment %. The following table shows the minimum annual payment percentage for each age group.

Age	Minimum Annual Payment % <sup>#</sup>
Under 65	4%
65-74	5%
75-79	6%
80-84	7%
85-89	9%
90-94	11%
95 or more	14%

Account Balance	Age	Payment %
\$215,687	55yo	4%

#### EQUALS

$215,687 \times 4\% = \$8,627.48$  \* for the year

\*This figure is rounded to the nearest \$10 to equal \$8,630. Therefore, the minimum annual amount Geoff can receive from his Account Based Pension in the first year of commencement is \$8,630. This figure changes each year with the changing account balance and as your age changes.

Please note: If you commence your Pension during June, the first payment can be deferred until July. If you commence your pension at any other time than 1 July, the first year's payment must be pro-rata, based upon the number of days to 30 June. It will be rounded to the nearest \$10.

#### <sup>#</sup>Reduced Minimum Pension Requirements

For the 2008/09 and 2009/10 financial years the Government has reduced the minimum annual pension payment as a temporary measure. The percentage rates stated in the table (and the working example) above are the normal minimum annual percentage rates for each age group. For the 2008/09 and 2009/10 financial years only, you may choose to reduce your minimum annual pension payments by 50%. If you wish to take up this option, simply halve the percentage rate for your age group provided in the table above.

#### Your Calculation

Account Balance	Age	Payment %

Please Note: Use the above Payment % table to find the appropriate % for your age

#### MINIMUM ANNUAL PAYMENT EQUALS

Your account balance \$  × Age based percentage  %

Minimum Annual Payment = \$

### Step 2

#### Select the amount of yearly Pension Payments

Please Note: This value must be equal to or above the minimum annual payment calculation made above.

#### Selected Annual Income

= \$...../ year (rounded to nearest \$10.00).

Return completed form to: SPEC Super PO Box 1109 Milton Qld 4064