

Centrelink Aged Pension



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WHAT IS THE CENTRELINK AGED PENSION?

The Aged Pension is a Government allowance paid to eligible Australians who have reached retirement age. The Pension is governed by Centrelink and whether you are eligible for the pension will depend on whether you pass a number of tests.



ELIGIBILITY FOR CENTRELINK AGED PENSION

Your eligibility for the Pension will hinge on whether or not you can satisfy the following tests:

- Residency Test – You must either be an Australian citizen living in Australia or have lived in Australia for the last 10 years with no break in your residence for at least 5 years.
- Age Test – The qualifying age for the pension is currently 65 years and 6 months old and will increase in years to come. **The qualifying ages can be found below:**

If your DOB is between	You'll be old enough at
1 July 1952 - 31 December 1953	65 years and 6 months
1 January 1954 - 30 June 1955	66 years
1 July 1955 - 31 December 1956	66 years and 6 months
From 1 January 1957 - Present	67 years

- Income Test – The income test includes money from your employment, Superannuation pensions or annuities, investments and money from outside Australia. Your pension payment will vary on the outcome of your income test. If you are single and your fortnightly income exceeds \$172 – for every dollar over \$172 your pension amount will be reduced by 50c.
- Assets Test- Property or items that you and your partner own can affect your payment, the limits on your assets before affecting your payments can be found below.

If you're	Home Owner	Non-homeowner
Single	\$258,000	\$465,500
A couple - combined	\$387,500	\$594,500
A couple, seperated due to illness, combined	\$387,500	\$594,500
A couple, one partner eligible, combined	\$387,500	\$594,500

*The above is as of 1 July 2018

AGED PENSION RATES

If you are deemed eligible to receive the aged pension after passing all tests the following chart displays the maximum that you /and your partner may be eligible to receive.

	Single Person	Couple Living together	Couple seperated due to ill health
Maximum basic rate	\$826.20	\$622.80 each	\$826.20 each
Maximum pension supplement	\$67.30	\$50.70 each	\$67.30 each
Clean energy supplement	\$14.10	\$10.60 each	\$14.10 each
Total per fortnight	\$907.60	\$684.10 each	\$907.60 each

*The above is as of 1 July 2018

IMPORTANT DISCLAIMER: This document does not constitute advice. Clients should not act solely on the basis of the material contained in this document. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly and we therefore recommend that our formal advice be sought before acting in any of these areas. This document is issued as a helpful guide to clients and for their private information.





What does being financially secure mean?

IT MEANS ASSESSING YOUR PERSONAL AND BUSINESS GOALS AND DEVELOPING A PLAN TO ACHIEVE THESE.

We have identified 10 key areas to help you become financially secure:

1. Goals & objectives
2. Estate plan
3. Risk plan
4. Asset protection plan
5. Taxation plan
6. Debt plan
7. Retirement and succession plan
8. Business plan
9. Superannuation plan
10. Investment plan

Setting goals and objectives and having strategies to achieve these is an essential element of becoming financially secure. Once you know what you are aiming to achieve and how you are going to get there, we then need to make sure you have a strong foundation in place to protect you, your family and other investments. A strong foundation needs an estate plan, risk, plan, asset protection plan, taxation plan and debt plan.

With the foundations in place we can then work on the strategies to achieve your goals and objectives. It may seem out of order that we have the retirement and succession plan at number 7 rather than 10. It is important that this is considered early and a plan is put in place. This assists to plan for this financially as well as keeping the communication lines open on the topic.

10 Steps to becoming Financially Secure

1. GOALS AND OBJECTIVES

Picture yourself in 10 years time... Where do you want to be? How are you going to get there? Being clear on your goals & objectives ensures you can develop a strategy to achieve them.

2. ESTATE PLAN

“What will happen when I’m gone?” Only assets owned in your name are covered by your will. Your Estate Plan protects your family from the potential threats that your Will does not.

3. RISK PLAN

Your Risk Plan addresses whether you need to save or insure to protect your family’s financial security in the event of an injury, accident or death.

4. ASSET PROTECTION PLAN

An Asset Protection Plan makes sure your assets are owned in the right names or entities so you limit the risk of them being exposed to creditors.

5. TAXATION PLAN

A Taxation Plan structures your affairs so that you legally pay the least amount of tax and retain more of your income.

6. DEBT PLAN

A Debt Plan ensures your assets aren’t over exposed to debt and structures your debt to maximise tax deductibility of the interest.



7. RETIREMENT PLAN

Retirement is setting the date when you can choose to stop work. Your Retirement Plan details the income and assets you need (in addition to superannuation) to retire and outlines the steps to get there.

8. BUSINESS PLAN

Your Business Plan may be the main source of your wealth. The 5 Drivers to Business Success are the key to developing a business which will help you achieve your goals.

9. SUPERANNUATION PLAN

Many people miss out on the enormous tax benefits of superannuation. A Superannuation Plan will ensure you have a strategy to produce greater wealth at retirement.

10. INVESTMENT PLAN

An Investment Plan will increase your asset base, while focusing on preserving your capital and managing your risks, to meet your personal and financial goals.

We offer a free no obligation meeting to review your situation. Call us today on 03 5330 7200 and take advantage of this valuable offer.

