Super SA

Government of South Australia

FACT SHEET

Spouse members and spouse accounts
Triple S

As an active Triple S member you are able to create a Triple S account for your spouse. An eligible spouse is a legal spouse or putative spouse of a Triple S member.

Putative spouse

A person is the putative spouse of a member if the person and the member are cohabiting as defacto spouses and:

- have been so cohabiting continuously for the preceding three years, or for a total of not less than three out of the four preceding years, or
- a child of whom both persons are the parents has been born.

A person is also recognised as a putative spouse of the member if in a Registered Relationship with the member (within the meaning of the *Relationships Register Act 2016*).

The components of a Spouse Account

A Spouse Account will be made up of a maximum of three components:

- a Spouse Contribution Account, which will receive personal after-tax contributions made by the spouse member and eligible contributions made by the Triple S member in favour of their spouse
- a Rollover Account, which will receive all eligible rollovers from complying super funds and all payments received through contribution splitting (see the *Triple S Grow Your Super* fact sheet for more information)
- a Co-contribution Account, which receives any Commonwealth Government co-contributions.

Contributing to a Spouse Account

A Spouse Account for a spouse member can be established by:

- a spouse contribution made by the Triple S member (minimum $50), or
- a contribution split from the Triple S member's account on behalf of their spouse (minimum $50).
- Once established, a Spouse Account will accept:
  - a contribution split from the Triple S member's account on behalf of their spouse (minimum $50)
  - personal after-tax member contributions (minimum $50)
  - eligible spouse contributions (minimum $50)
  - Commonwealth Government co-contributions
  - rollovers from complying super funds.

There is a cap of $100,000 each financial year on the total amount that can be contributed after tax to your super, which includes any contributions paid by the Triple S member and spouse member. A spouse member under age 65 can bring forward the limit for two years to contribute up to $300,000 in one year.

For contributions received to a Triple S member's account in the 2018/19 financial year, there is no limit on the amount that the Triple S member can split to their spouse. For contributions received in the 2019/20 financial year, and future years, the maximum amount of contributions that can be split is equal to the concessional contribution cap (currently $25,000).

Spouse members can not contribute to a Spouse Account if the Triple S member has ceased employment.

> ! Employer contributions cannot be made into a Spouse Account.

Investment choice

Spouse members have the same investment options as other Triple S members. See the *Investment* fact sheet for more information.

Insurance options for spouse members

Death Only Insurance is available to spouse members.

For more details on the insurance options available in Triple S Death Only cover, please refer to the *Death and TPD and Death Only* fact sheet. Spouse members have the option to apply for:

- Standard Insurance cover, or
- Fixed Benefit Insurance cover

Key points about spouse members insurance include:

- Spouse members need to complete a personal health statement when applying for Death Only Insurance. If the application is accepted, there may be limitations applied to the cover for any pre-existing medical conditions.
- The maximum insurance cover a spouse member can hold is $1,500,000.
- The premium for this cover is deducted from the Spouse Account.
- Spouse members can elect to continue their insurance in the Flexible Rollover Product when they no longer have a Triple S account. Conditions apply. See page 6 for details.

Income Protection Insurance and Total and Permanent Disablement Insurance is not available to spouse members.

Duration of Insurance

Insurance through your Triple S Spouse Account will cease once:

- the spouse member reaches age 70 for Standard and Fixed Benefit Insurance or age 65 for Fixed (closed) Insurance, or
- the Triple S member has transferred their benefit out of Triple S, or
- the balance of the Spouse Account is reduced to zero and the insurance cost can no longer be deducted[1], or
- the spouse member is no longer the spouse of the Triple S member, or
- the Spouse Account is closed.

Standard Death Only Insurance

Value of Standard Death Only Insurance

The value of a unit of Standard Insurance is linked to the spouse member's age. Once the spouse member reaches age 35, the value of a unit gradually decreases each year.

For example, if as a spouse member you are aged 34, one unit is worth $75,000, but at age 45, one unit is worth $42,000.

Age-related unit values are provided in the table over the page. You can see how the value of a unit decreases with age.

Conditions may apply.

Cost of Standard Death Only Insurance

Standard Death Only Insurance costs $0.50 per unit per week. Therefore, two units of Standard Insurance will cost $1 per unit per week and so on.

The cost and level of cover are reviewed every three years and may change due to claims experience.

Standard Death Only Insurance Cover

Age last birthday	Unit value ($)	Age last birthday	Unit value ($)
34 and under	75,000	52	22,000
35	72,000	53	20,000
36	69,000	54	18,000
37	66,000	55	16,000
38	63,000	56	14,000
39	60,000	57	12,500
40	57,000	58	11,000
41	54,000	59	10,000
42	51,000	60	9,000
43	48,000	61	8,000
44	45,000	62	7,000
45	42,000	63	6,000
46	39,000	64	5,000
47	36,000	65	5,000
48	33,000	66	5,000
49	30,000	67	5,000
50	27,000	68	5,000
51	24,000	69	5,000

70+ not offered

Fixed Benefit Death Only Insurance

Age last birthday	Cost/week ($)	Age last birthday	Cost/week ($)
36 and under	0.07	53	0.25
37	0.08	54	0.28
38	0.08	55	0.31
39	0.08	56	0.36
40	0.09	57	0.40
41	0.09	58	0.45
42	0.10	59	0.50
43	0.10	60	0.56
44	0.11	61	0.63
45	0.12	62	0.71
46	0.13	63	0.83
47	0.14	64	1.00
48	0.15	65	1.00
49	0.17	66	1.00
50	0.19	67	1.00
51	0.21	68	1.00
52	0.23	69	1.00
51	24,000	69	5,000

70+ not offered

Value of Fixed Benefit Death Only Insurance

Fixed Benefit Insurance cover provides a fixed lump sum insurance entitlement in the event of the spouse member's death.

With Fixed Benefit Insurance, the value of the insurance does not decrease with the spouse member's age. Each unit is worth $10,000.

Cost of Fixed Benefit Death Only Insurance cover

The cost of Fixed Benefit Insurance is based on the spouse member's current age. Refer to the table above for costs of Fixed Benefit Insurance.

The cost and level of cover are reviewed every three years and may change due to claims experience.

Fixed (closed) Insurance

Closed to new applications since November 2014

Spouse members are no longer able to apply for Fixed (closed) Death Only Insurance cover. However, spouse members who had Fixed (closed) Insurance at 13 November 2014 retained their level of cover.

The cost (premium) depends on the spouse member's age when they bought the units, and the premium does not change from year to year.

Increasing Fixed (closed) cover

If a spouse member wants to increase their level of Death Only cover they will need to cancel their Fixed (closed) Insurance by applying for either Standard or Fixed Benefit Death Only Insurance cover. Spouse members cannot have more than one type of Death Only Insurance.

Transferring Fixed (closed) cover

A spouse member can transfer their existing level of Fixed (closed) Death Only cover to Standard or Fixed Benefit Insurance at a value that is close to, but does not exceed, their current level of cover without having to provide medical information. In this situation any existing limitations will continue to apply but new limitations will not be applied.

However, if they want to increase their Standard or Fixed Benefit insurance cover, they will need to complete the *Triple S Apply for Death and TPD Insurance* form and provide medical information. Limitations may apply to the additional units.

If a spouse member with Fixed (closed) Death Only Insurance cover chooses to change their insurance cover to Standard Insurance or Fixed Benefit Insurance, they will not be able to transfer back to Fixed (closed) Insurance.

Decreasing or cancelling Fixed (closed) cover

Members with Fixed (closed) Insurance can decrease their level of cover without cancelling it. They also have the option of cancelling their cover. However, once the cover has been decreased or cancelled it cannot be increased or reinstated later.

Fixed (Closed) Insurance ($75,000 per unit)

Age last birthday	Cost/week ($)	Age last birthday	Cost/week ($)
20 and under	0.55	43	1.9
21	0.55	44	2.00
22	0.55	45	2.00
23	0.55	46	2.20
24	0.60	47	2.40
25	0.60	48	2.60
26	0.65	49	2.80
27	0.70	50	3.00
28	0.75	51	3.00
29	0.80	52	3.50
30	0.85	53	3.50
31	0.90	54	4.00
32	0.95	55	4.50
33	1.00	56	5.00
34	1.10	57	5.50
35	1.10	58	6.00
36	1.20	59	6.50
37	1.30	60	7.00
38	1.40	61	7.50
39	1.50	62	7.50
40	1.60	63	8.00
41	1.70	64	8.00
42	1.80	65+	Not offered

At age 65

All Fixed (closed) Death Only Insurance ceases at age 65. Prior to it expiring at age 65, spouse members can apply to transfer to either Standard or Fixed Benefit Insurance without having to provide medical information, if the value is as close to, but does not exceed their current level of cover. The new cover will continue to age 70. Existing limitations will continue to apply.

Spouse member super entitlements

Payment of entitlements

Spouse member entitlements can only be released when one of the following occurs:

- the Triple S member:
  - has ceased employment with the SA public sector1, or
  - has transferred their benefit out of Triple S, or
  - has received an Early Access to Super entitlement[1], or
- the spouse member:
  - suffers physical or mental disablement and the Super SA Board approves the release of the account, or
  - is no longer the spouse of the Triple S member1, or
  - has reached age 65, or
  - dies.

While meeting one of the above conditions allows the spouse member to roll their funds out of Triple S, the spouse member must also have reached their preservation age in order to access their entitlement in cash. See the box 'Preservation and Spouse Accounts' to the right for details.

Disablement entitlements

Should the spouse member become totally and permanently disabled, the spouse member may apply to the Super SA Board for the release of their super entitlement.

If the claim is approved, the spouse member will receive a lump sum comprising:

- the balance of the Spouse Account, plus
- investment earnings
- minus any outstanding fees, charges and premiums.

Spouse members cannot purchase Total and Permanent Disablement Insurance, therefore there is no insurance component payable.

Death entitlements

Spouse members have the option to nominate a legal personal representative (estate) with Super SA. This means that, in the event of their death, their death benefit will be paid to their estate and distributed according to the Will or Statutes. Refer to the *Binding Death Benefit Nomination - Legal Personal Representative* fact sheet for more information.

If a legal personal representative (estate) has not been nominated, the death benefit will be paid to their spouse/putative spouse or, if there is no spouse/putative spouse, to their estate.

At the date of the spouse member's death, evidence of any spouse/putative spouse relationship will be required. Please refer to the *Application for Payment in Relation to a Deceased Member* form for information about requirements.

The death entitlement is made up of:

- the balance of the Spouse Account, plus
- investment earnings, plus
- an insurance component (if any)
- minus any outstanding fees and premiums.

Preservation and Spouse Accounts

All investment earnings and preserved entitlements will remain preserved in Triple S until one of the following events occurs:

- the spouse member reaches preservation age and is genuinely retired from the workforce
- the spouse member ceases an employment arrangement after the age of 60
- the spouse member reaches age 65
- the spouse member becomes totally and permanently disabled and the Super SA Board approves the release of the account
- the spouse member dies.

The balance not subject to preservation can be taken in cash once the account can be released.

Preservation age depends on the date of birth of the spouse member. See the table below for preservation ages.

Date of birth	Commonwealth Government preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

Taxation

For taxation purposes, the spouse member's Eligible Service Period will commence from the earliest Eligible Service Date from all rollovers received into the Spouse Account.

If no rollovers are received, the Eligible Service Date will be the date that the first contribution was received into the Spouse Account.

Rollovers from untaxed funds, plus investment earnings, will not be taxed when received into the Spouse Account. These monies will be taxed in accordance with the Australian Taxation Office (ATO) rules for untaxed funds, on withdrawal of the spouse member's entitlements from Triple S.

Members may be eligible to apply for a tax rebate for making a spouse contribution to the Spouse Account on behalf of the spouse member.

[1] Payment is subject to the provisions of the *Commonwealth's Superannuation Industry (Supervision) Act* and the spouse member having reached their preservation age.

Eligibility to join the Super SA Flexible Rollover Product and the Super SA Income Stream

Spouse members are eligible to join the Super SA Income Stream and the Super SA Flexible Rollover Product as a spouse member, provided they are the spouse of an SA public sector employee scheme member (eg. Pension Scheme, Lump Sum Scheme, Triple S).

Transferring Insurance from Triple S to the Flexible Rollover Product (FRP)

Spouse members of Triple S may, within 60 days of becoming eligible for a benefit in Triple S, invest in the FRP and transfer their Death Only Insurance in Triple S to the FRP on the same terms, conditions and restrictions. Any limitations that applied in Triple S will continue to apply. Refer to page 4 for details of when a Triple S spouse member is entitled to a benefit. Refer to the *Insurance and Leaving the Public Sector* fact sheet for details on transferring your insurance.

Further information

The following fact sheets and Product Disclosure Statements (PDSs) may be helpful if read in conjunction with the information presented above:

- Contribution Splitting
- Beneficiaries and Your Super Entitlement
- Binding Death Benefit Nomination - Legal Personal Representative
- Fees and Costs
- Investment
- Tax
- Super SA Flexible Rollover Product PDS
- Super SA Income Stream PDS
- Triple S PDS

Fact sheets on a range of topics relating to your super are available on the Super SA website and from Super SA. Alternatively, if you have any enquiries regarding Spouse Accounts or any other matters raised in this fact sheet, please contact Super SA.

We're here to help

In person (by appointment only)
151 Pirie Street
Adelaide SA 5000
(Enter from Pulteney Street)

Post GPO Box 48
Adelaide SA 5001

Email supersa@sa.gov.au

Call 1300 369 315

Web supersa.sa.gov.au

SSA1384