

Age Pension

The Age Pension is a government payment designed to help retirees meet their income needs.

Benefits

- The Age Pension provides a regular income stream to improve your cashflow.
- Your assets may last longer, because the increased cashflow means you will have less need to draw on your personal investments.
- You will be entitled to a concession card to reduce the cost of some expenses (such as reduced cost medicines).

How it works

To qualify for the Age Pension, you first need to meet age and residency requirements. Centrelink then determines your entitlement based on your level of income and assets.

Age Pension payments are made fortnightly and can be paid directly into a savings account, such as a bank, building society or credit union account.

Age requirements

Currently you need to be over age 65 to qualify for an age pension. The qualifying age will gradually increase from 65 to 67 by 1 July 2023.

Date of birth	Eligible age
Before 1 July 1952	65.0
1 July 1952 to 31 December 1953	65.5
1 January 1954 to 30 June 1955	66.0
1 July 1955 to 31 December 1956	66.5
On or after 1 January 1957	67.0

Residence requirements

The residency requirements generally require you to have been an Australian resident for at least 10 years with at least 5 years in a continuous period. You must still be an Australian resident living in Australia when you lodge the claim.

The residency timeframe may be lower if you are covered by certain International Social Security Agreements.

Age Pension payment rates

Payment rates increase every 20 March and 20 September. You should refer to the Centrelink website at www.centrelink.gov.au for the latest payment rates.

Important: Any advice in this communication has been prepared without taking into account your objectives, financial situation or needs. Because of this you should, before acting on any advice in this communication, consider whether it is appropriate to your personal circumstances.

The rate payable will depend on whether you are single or a member of a couple and your means test assessment. This payment also includes a pension supplement (which is paid at a minimum rate) and an energy supplement.

The means test uses an income test and an assets test. The one that produces the lowest rate of pension is the one that applies.

Pensioner Concession Card (PCC)

If you are eligible for the Age Pension, you will also be entitled to a Pensioner Concession Card (PCC) to help reduce your expenses.

The PCC gives you access to a range of discounted medical services funded by the government including cheaper prescription medicines through the Pharmaceutical Benefits Scheme (PBS). Doctors may bulk bill if you hold this card and you may also receive some concession through your state, territory or local government. The range of concessions will vary depending on where you live and you should check at www.Australia.gov.au

Consequences

- If you are still working, the first \$250 of employment income per fortnight will not impact your income test.
- If you are permanently blind you can receive the full Age Pension as the means-tests are not applied.
- Other benefits, such as Rent Assistance, may also be payable.
- The Age Pension is taxable income however you may be eligible for Tax Offsets to help to reduce your tax liability.
- You are required to tell Centrelink within 14 days about any change in your circumstances that may affect your payment.
- Payments may be affected if you go overseas for extended periods of time longer than six weeks. You should check details with Centrelink before leaving the country.

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