PSSap membership for CSS and PSS members

This factsheet is for contributing CSS or PSS members who want to make super contributions in addition to the member contributions required by their scheme.

Background

Some super contributions can't be made to CSS or PSS. Instead, they can be paid to a PSSap account and claimed as an additional lump sum or paid through an account based pension like CSCri.

Joining PSSap won't impact your CSS or PSS membership or final benefit calculation. You'll be a member of two super schemes, and your PSSap benefit will be separate to your CSS or PSS benefit.

What's in this factsheet?

What is PSSap?

PSSap is a super account that complements your CSS or PSS membership. It allows you to grow your super by making voluntary before, or after-tax, contributions in addition to your fortnightly member contributions made to CSS or PSS.

PSSap accounts are accumulation accounts, so contributions accumulate and attract investment earnings according to the investment option you choose. When you claim, you can take your contributions as a one-off payment (lump sum), or purchase an account-based pension, such as CSCri (more about this at **csc.gov.au/Retirement**). Your benefit will include your contributions plus investment earnings (which may be positive or negative), less any applicable tax. When you claim your benefit, it will be taxed at the same tax rates that apply to other super lump sum benefits.
For more information about tax and your benefit, see our *Tax and your PSSap super* booklet available at **csc.gov.au/pds**, or visit the Australian Taxation Office (ATO) **website**.

How do I join PSSap?

Joining PSSap is easy — if you're eligible, you can start contributing in three simple steps.

1. Before making any decisions, you should read the PSSap PDS and the PSSap Financial Services Guide at **csc.gov.au/join-pssap**
2. To join, you'll need to complete the **Join PSSap for PSS and CSS members** form. This is available online at **csc.gov.au/join-pssap** or as a PDF at **csc.gov.au/forms**
3. We'll advise you how you can start contributing yourself or via your employer. If you're registered with the **CSC Navigator**, your new PSSap account will also appear when you log in.

Any financial product advice provided in this factsheet is general advice only and has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on any such general advice, you should consider the appropriateness of the advice, having regard to your own objectives, financial situation and needs. You may wish to consult a licensed financial planner. You should obtain a copy of the **PSSap Product Disclosure Statement (PDS)** and consider its contents before making any decision regarding your super.

What can I contribute to my PSSap account?

Your PSSap account can receive all types of contributions in line with superannuation rules including voluntary personal contributions, additional contributions from your PSS/CSS employer, employer contributions from non-government employers, transfers from other super funds and Government contributions.

Non-APS employer contributions

Since 7 March 2021, PSSap accounts have been able to accept contributions from your non-APS employer including superannuation guarantee (SG) and other voluntary employer contributions. When we receive your non-APS employer contributions, we'll deduct tax at the concessional rate of 15% and report the contributions against your concessional contributions cap (see *Contribution limits* on page 3).

CSC — CSS — PSS — PSSap

Commonwealth Superannuation Corporation (CSC) ABN: 48 882 817 243 AFSL: 238069 RSEL: L0001397 | Commonwealth Superannuation Scheme ABN: 19 415 776 361 RSE: R1004649 | Public Sector Superannuation accumulation plan ABN: 65 127 917 725 RSE: R1004601 | Public Sector Superannuation Scheme ABN: 74 172 177 893 RSE: R1004595

Salary sacrifice

Salary sacrifice contributions are voluntary contributions paid from your before-tax salary. Even though they're voluntary contributions paid from your own salary, salary sacrifice contributions are classed as employer contributions. However, unlike some employer contributions, salary sacrifice won't count towards the minimum amount your employer is required to pay into your super on your behalf. When we receive your salary sacrifice contributions, we'll deduct tax at the concessional rate of 15% and report the contributions against your concessional contributions cap (see *Contribution limits* on page 3). Salary sacrifice is an arrangement between yourself and your employer, so you'll need to contact them to set it up.

If you're a CSS Contributing member, you can also make 'supplementary contributions' into CSS. For more information, **contact us**.

Additional personal contributions

Additional personal contributions are voluntary contributions paid from your after-tax salary. As you have already paid tax on these amounts, we won't apply tax when they're received. These contributions count towards your non-concessional contributions cap (see *Contribution limits* on page 3). You can arrange for your employer to pay additional contributions on your behalf, from your after-tax salary, or you can pay them yourself directly to PSSap by BPay — log into **CSC Navigator**, click on 'My account' and then select 'Contributions'. Your BPAY biller code and Customer Reference Number (CRN) will be listed on screen. Once you've obtained your CRN, make a BPAY payment by logging into your personal online banking account.

You may be eligible to claim a tax deduction for your additional personal contributions. Before you make a claim, you must provide us with a **Notice of intent to claim or vary a deduction for personal contributions** form, and receive acknowledgement from us that your form has been processed. For more information about claiming a tax deduction for personal contributions, you should visit the **ATO** website.

Spouse contributions

Spouse contributions are contributions your spouse can make on your behalf. Any spouse contributions made on your behalf will belong to you. Your spouse will have no right to the benefit, even if they cease to be your spouse. Spouse contributions are paid from after-tax salary, so we won't withhold tax when the money is received into PSSap.

A spouse includes a person:

- you are legally married to;
- you are in a relationship with that is registered under certain state or territory laws (including registered same-sex relationships; or
- of the same or of a different sex, who lives with you on a genuine domestic basis in a relationship as a couple (known as a 'de facto spouse').

Because these contributions belong to you, only you can choose an investment option for these contributions (see *How are PSSap contributions invested?* below). Spouse contributions paid on your behalf will count towards your non-concessional contributions cap, not your spouse's (see *Contribution limits* on page 3 for an explanation of this cap).

If your spouse wants to make contributions on your behalf by BPay — log into **CSC Navigator**, click on 'My account' and then select 'Contributions'. Your BPAY biller code and Customer Reference Number (CRN) will be listed on screen. Once you've obtained your CRN, provide it to your spouse so they can log into their financial institution to make a payment.

Transfer amounts

These are transfers of some or all of your existing super benefits from one fund to another. Transfers can be accepted from:

- other regulated super funds;
- Approved Deposit Funds;
- Retirement Savings Accounts; and
- ATO — ATO-held super includes lost or unclaimed super and Government contributions such as co-contributions and low income super tax offsets (LISTO).

If tax has been applied to your transfer amount, we won't deduct any further tax. However, any previously untaxed portion of your transfer will be taxed at 15% on receipt. Here's how to arrange a transfer:

1. Log into your MyGov account and use the ATO online service (you'll need to make sure the ATO is linked to your account).
2. Contact your current fund to request a transfer to PSSap. You'll need to provide them with your member number and the following information about PSSap:

   Scheme: Public Sector Superannuation accumulation plan
   USI: 65127917725001
   ABN: 65 127 917 725
3. Complete the **Transfer your super to PSSap** form, available on our **website**.

You can also transfer certain amounts from PSS. While you can't transfer your Defined Benefit, you can transfer any Post-1995 transfer amounts or Government contributions to PSSap. To move these amounts from your PSS account, log into **CSC Navigator** or complete the **Transfers out** form, available on our **website**.

Once your transfer has been received and credited to your PSSap account, we'll send you written confirmation.

Before making any decision to transfer your super, you should consider the fees charged by both your existing and new fund, whether you'll have sufficient insurance in place after the transfer, the investment options available and performance of your funds.

Government contributions

In certain circumstances, the Government may make additional contributions to your super. You don't need to apply for these contributions. If you're eligible, and we have your tax file number, they'll be paid into your super automatically. Regardless of where your Government contributions are paid, you can transfer them into your PSSap account at any time (see *Transfer amounts* above). There are two types of government contributions that may be paid into your PSSap account.

- Super co-contributions are payable to low or middle-income earners (the thresholds change each financial year) who make personal after-tax contributions to their super. The amount of government co-contribution you receive will depend on your income and the amount you contribute, and is subject to an annual cap.
- The low-income super tax offset (LISTO) is payable to individuals with an adjusted taxable income below the threshold set by the ATO. If you're eligible, you'll receive up to 15% of the total concessional (before-tax) super contributions that you make in a financial year, subject to an annual cap.

For more information about Government contributions, including the current income thresholds and caps for these payments, visit the **ATO** website.

What if I leave eligible employment?

You can continue contributing to your PSSap account regardless of your current employment status.

Contribution limits

Contributions paid into super — whether they're paid by you or someone else — are classed as either concessional or non-concessional for tax purposes. Both types of contributions are subject to annual caps, and penalties may be applied by the ATO if these caps are breached.

Your PSSap contributions won't count towards your PSS Maximum Benefit Limit (MBL). You can still contribute towards your PSSap benefit after you've reached your MBL. For more information about the MBL, refer to our **PSS Maximum Benefit Limit** factsheet.

Concessional contributions

These are contributions paid from a before-tax source and will usually have 15% contributions tax withheld on receipt. Examples include salary sacrifice and any other amounts paid by your employer from your before-tax income. There is a cap on the amount of concessional contributions you can make each financial year. Usually, if you exceed the cap, you'll pay tax on the excess contributions at your marginal rate. If you don't want to pay additional tax, you'll need to ensure your total concessional contributions paid to all of your super interests stay under the cap.

Non-concessional contributions

These are contributions paid from an after-tax source. No tax will be withheld when they're received by the fund. Your mandatory fortnightly member contributions are non-concessional contributions. There is a cap on the amount of non-concessional contributions you can make each financial year. Generally, additional tax is payable on the excess contributions, so you'll need to keep the non-concessional contributions made to all of your super interests under the cap if you don't want to pay extra tax.

The contribution limits are complex. We encourage you to speak to a licenced financial planner or accountant for advice about the management of your contributions limits across all your super interests. For more information about either of these contribution limits, including the annual caps, visit the **ATO** website.

Personal financial advice available to you

Before you make a decision about making PSSap contributions, we recommend you seek professional advice from a licensed financial planner.

CSC's authorised financial planners* provide a personalised service that takes your objectives, financial situation and needs into account.

For more information about this service, or to book your first advice appointment, call **1300 277 777** or visit **csc.gov.au/advice**

*Our authorised financial planners are authorised to provide advice by Guideway Financial Services (ABN 46 156 498 538, AFSL 420367.). Guideway is a licensed financial services business providing CSC financial planners with support to provide members with specialist advice, education and strategies.

How are contributions to PSSap invested?

Your PSSap benefit is valued in units. When contributions are paid into the fund, the money 'buys' a number of units and the value of each unit is known as the unit price. The value of your investment can change, depending on investment performance. The costs associated with buying and selling units are reflected in the unit price for each investment option.

There are four investment options you can choose from. You can invest your current balance and future contributions in one or more of these:

- Cash
- Income Focused
- Balanced
- Aggressive.

Each investment option has a different unit price that can change daily. When you claim your PSSap benefit, you'll effectively 'sell' your units at the applicable daily unit price.

Investment returns may be positive or negative, so the value of your benefit may rise and fall. Therefore, it's possible that your benefit might be less than the amount you contributed, particularly over a shorter term.

You can switch investment options as many times as you like, but buy–sell spreads apply. You can do this by logging into **CSC Navigator**, or by submitting your completed **Investment choice** form, available on our **website**. We'll write to you and confirm that we've processed your investment switch.

Note: Your request to switch investment options must be received by 2.30pm Canberra time to receive the unit price declared for that day. We usually publish unit prices for a given day on the next business day. The unit prices shown in CSC Navigator and on our website are not necessarily the rates that you'll receive as they are delayed by a day.

For more information about investment options including asset allocation and risk, unit prices and switching, read our **PSSap Investment options and risk** booklet, available at **csc.gov.au/pds**

Will I be charged fees?

Fees and charges apply to your PSSap account. For more information about fees and charges, refer to our **PSSap Fees and other costs** booklet at **csc.gov.au/pds**

When can I access my PSSap benefit?

Payment of your PSSap benefit is not directly related to payment of your CSS or PSS benefit. Even if you claim your defined benefit earlier, usually you can't claim your PSSap benefit until you reach age 60 and have met a condition of release. You may be able to access all or part of your PSSap benefit earlier:

- if you become totally and permanently incapacitated;
- on severe financial hardship grounds; or
- on compassionate grounds.

In the event of your death, your PSSap benefit will be paid to:

- your eligible dependants;
- your legal personal representative; or
- if we cannot find a dependant or legal personal representative, we can pay to any individual we decide.

If you die, having a **beneficiary nomination** in place lets us know who your super must go to or who you'd prefer it to go to (depending on your nomination type).

Your PSSap benefit can also be rolled over at any time to another regulated super fund — including a self-managed super fund, retirement savings account or approved deposit fund. However, you won't be able to claim the benefit from that rollover institution until the benefit becomes payable under the rules of that fund. Generally, this is not until you have reached age 60 and retired from the workforce.

What else can I do with my PSSap account?

Contribution splitting

If your spouse meets certain eligibility criteria, you may be able transfer or rollover a portion of the concessional contributions you recently made to your super account to your spouse's super account. To be eligible for contribution splitting, whoever is 'receiving' the contributions must be:

- below age 60; or
- between age 60 and 65 years, but not retired.

There are restrictions on when you or your spouse can apply to split contributions and the types of contributions that can be split. For more information, visit the **ATO** website.

First Home Super Saver Scheme

If you're a first home buyer, you can save for your first home inside your super fund. You can make voluntary concessional (before-tax) and non-concessional (after-tax) contributions and then apply to have these contributions (and their earnings) released to help you purchase your first home. The contributions are subject to contributions caps, and your regular fortnightly member contributions that are mandated by CSS legislation and PSS rules are excluded.

You must meet criteria to be eligible for the scheme. There are limits on how much you can contribute and access. You can only apply for one release of your super funds for this purpose. For more information about the scheme, refer to our **First Home Super Saver Scheme and Downsizer Contributions** factsheet.

Downsizer contributions

Homeowners who are 55 or older can contribute the proceeds of selling their home into super. There are restrictions on the ownership and use of the property and a cap on the contributions that can be paid. You can only make Downsizer contributions from the sale of one property. You may make more than one contribution as long as you do not exceed the cap. For more details, refer to our **First Home Super Saver Scheme and Downsizer Contributions** factsheet.

Downsizer contributions do not count towards your contribution caps but they will count towards your total super balance and transfer balance cap. For more information, refer to the **ATO**.

For more information visit csc.gov.au

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