

## Early release of superannuation

### Questions and answers (Q&As) – as at 27 April 2020 version 5

***Bold answers have been updated from previous response***

*\*Asterisk questions are new since previous version*

#### Individual application process

<b>Number</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>
1	Application process	When will the application be available?	The application will be available from 20 April.
2	Application process	How will a person apply?	The application will be available in ATO Online via myGov.
3	Application process	What workarounds are available for those without myGov access? What contingency plans are in place if myGov is down?	The applicant can call the ATO call centre who will assist with access to myGov.
4	Application process	Will there be a paper process?	No.
5	Application process	Will the electronic and manual process be deployed at the same time?	Yes.
6	Application process	When can the ATO receive applications till?	Applications for this financial year (2019-20) can be made until 30 June 2020  Applications for the 2020-21 financial year can be made from 1 July 2020 to 24 September 2020  The measure will cease after 24 September 2020 but applications received prior to the cut-off dates may be processed after this date.

# Economic response to coronavirus

7	Available accounts	Can a member request amounts from multiple funds at the application stage?	Yes. The available fund accounts will be displayed and the member can chose multiple accounts and the amount to be approved for release from each account.
8	Available accounts	Can a member request more than the amount shown on their myGov account?	Yes. There are no restrictions on the amount a person can request for release from any account. There is only a limit of a total of \$10,000 in the one application.
9	Available accounts	Can a member add a new fund to myGov when applying?	No. Only matched accounts reported to the ATO through MAAS will be displayed.
10	Available accounts	If a member applies for \$10k from a fund and the fund only has \$9k, can the member seek the balance from another fund?	A member can only apply for one determination per financial year. I.e. a member can request \$1K from one fund and another \$9k from another fund as long as it is in the same application.  Members will not be able to make a subsequent application if they do not request or receive the full amount that has been approved.
11	Bank account details	Is the ATO collecting bank account details?	The ATO is collecting bank account details in the application form. At that stage the individual has authenticated themselves in the application process or via the phone. The individual will make relevant declarations in relation to the bank account details and will input them in the application.
12	Bank account details	Will the bank account default to the Income Tax return account or will the member have to re-enter the bank account details?	No. The individual will provide the bank account details in the application.
13	ATO held super	Can a person apply to have ATO held super released?	An individual cannot apply for a determination to release super under the Coronavirus early access arrangements where the super amount is held by the ATO. If the individual is not eligible for a direct payment of ATO-held super, they will need to request a transfer of the ATO-held super into an account held by a super provider on their behalf before requesting its release.
14	Correspondence	How long will it take for the member to receive the rejection or approval notice?	All member correspondence delivered via myGov will be available within 2-3 days. Physical mail will be subject to postal timing.

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15	Correspondence	Will myGov show the application is approved?	Yes, only when correspondence is issued to the members myGov inbox.
16	Varying an application	Can a member vary their application prior to it being processed within the fund?	Once an application is submitted it cannot be varied.
17	Revoking an application	Can an application be revoked?	An application can be revoked where there is a genuine error or mistake.
18	Eligibility	What eligibility checks are the ATO putting in place?	An individual will self-assess to determine eligibility and certify their eligibility in the application. Evidence is not required in the application process, however the ATO is advising individuals to retain evidence to support their application.
19	Eligibility	Can an amount be released from a pension account?	<p>Super cannot be released from a pension account under the coronavirus early access arrangements.</p> <p>The coronavirus early access arrangements allow a member of a superannuation fund to apply for the release of their preserved or restricted non-preserved benefits.</p> <p>If a member is receiving an account based pension (that is not a TRIS) they would have met a condition of release with a nil cashing restriction. This type of condition of release converts any preserved and restricted non-preserved benefits the member had in their superannuation fund into unrestricted non-preserved benefits.</p> <p>As the coronavirus early access arrangements do not apply to unrestricted non-preserved benefits, amounts supporting the pension cannot be accessed under the arrangements.</p> <p>However, unrestricted non-preserved benefits can be cashed at any time by the member, subject to the rules of the fund and the account based pension, that is, outside of the coronavirus early release measure.</p>

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20	Eligibility	Can an amount be released from a transition to retirement income stream (TRIS)?	<p>TRIS must meet the requirements of ordinary account based pensions, the additional requirements set out in r6.01(2) of the SISR that apply to annual payments from the pension account and the restrictions set out in r.6.01AB of the SISR on when a superannuation lump sum resulting from the commutation of a the TRIS can be cashed.</p> <p>The recent amendments to allow early access to super under the coronavirus early access arrangements do not vary the circumstances in which pension payments may be made from a TRIS or the circumstances in which an amount commuted from a TRIS can be cashed out of the superannuation fund. Hence, no amounts in excess of what are already allowed to be cashed from a TRIS can be released under the coronavirus early access arrangements.</p> <p>However, a member who has a TRIS that comprises of preserved or restricted non-preserved benefits may be able to commute the TRIS back to the accumulation phase within the superannuation fund (in accordance with the rules of the fund and the pension). In such a case the preserved and restricted non-preserved amounts may then be eligible to be released under the coronavirus early access arrangements.</p>
21	Available accounts	What accounts will the individual be able to see in their application in ATO Online?	The application form has been designed to display all open accounts except those in retirement phase.
22	Eligibility	Are Australian citizens who are living overseas eligible?	<p>An individual does not need to be residing in Australian but must meet the eligibility criteria.</p> <p>Eligibility information is available at:  <a href="https://www.ato.gov.au/Individuals/Super/In-detail/Withdrawing-and-using-your-super/COVID-19-early-release-of-super/">https://www.ato.gov.au/Individuals/Super/In-detail/Withdrawing-and-using-your-super/COVID-19-early-release-of-super/</a></p>
23	Correspondence	How is the member notified of the outcome of their application?	The member will receive an email or SMS to advise their application has been approved. They will also receive an approval letter in their myGov mailbox.

## Fund notification and release of super

Number	Topic	Question	Answer
1	Fund notification	How will the notification be provided to the fund?	The ATO will be providing an electronic file that can be downloaded through Bulk Data Exchange (BDE) and processed for this category of compassionate release of super.
2	Fund notification	What information will be provided in the notification?	The ATO issued a <a href="#">CRT alert</a> with the data file specification and a sample data file on 2 April 2020.  The specification is also available at: <a href="https://softwaredevelopers.ato.gov.au/CoronavirusEarlyreleaseofsuperguide">https://softwaredevelopers.ato.gov.au/CoronavirusEarlyreleaseofsuperguide</a>
3	Fund notification	Will the fund need to check the portal or will the fund receive an email notification?	The fund will need to check the portal and download the file each day.
4	Proportioning rules	Will the payment be subject to proportioning rules?	Yes. The payment is subject to the proportioning rules.
5	Tax and payment summaries	Are funds required to issue PAYG statements showing a proportion of the payment to be taxable component – untaxed element	No, the payment is not a 'withholding payment' as defined in s.995-1(1) of the ITAA 1997 and an amount is not required to be withheld from the payment as it is NANE (see. S.12-1(1A) of Schd 1, TAA).
6	Payment by fund	What if the fund isn't able to make the payment tax free?	Fund is required to make the payment tax free.
7	Payment timeframes	What timeframe is there for money to be transferred to the individual?	The SIS Regulations require the payment to be made by the trustee to the member as soon as practicable.
8	Fees	Is the \$10k payout impacted by fees, for example exit fees?	This is a usual fund process for making a release.

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9	Released amount notification to ATO	Does the ATO need to know what amount was released?	No. The compassionate release of super process does not include advising the ATO of how much money was released.
10	Fund notification	Will the determinations be downloaded at a particular time of day?	The files will be available by 11am AEST Monday to Friday. The files will include approved applications that the ATO processed the previous day. The Monday file will contain approvals for Friday, Saturday and Sunday.
11	Release of funds	Where a fund is unable to pay part or all the monies requested under the early release of super provisions, is there a requirement for the fund to report back to the ATO?	There is no requirement to report back to the ATO.
12	Fund notification	What will be the size of the daily file sent via BDE to funds?	BDE has an upper limit of 13GB per file. We don't expect to exceed this producing a daily file at an ABN / USI level.
13	Fund notification	Is the data provided in the data file drawn from MAAS or ATO client information?	The ATO will provide the data from the ATO client register – not from the MAAS data reported by the fund.
14	Fund notification	If an individual requests their early release of super from two different funds, will the same early release application ID be sent to both funds or would they be unique?	The application (form) ID is unique to each application. Where the individual requests their Coronavirus amounts from multiple funds, all funds will receive the same form ID.
15	Fund notification	Will a fund receive a file every day even if there is no notification?	If there are no notifications to advise at an ABN / USI level no file will be sent.
16	Fund notification	When can a fund expect to receive the first data file?	Funds can expect to start receiving notification files from Tuesday 21 April.
17	Fund notification	Are the access manager requirements for BDE the same as existing compassionate release of super?	Yes. The new notifications files will be delivered the same way existing compassionate release of super notifications are delivered.

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18	Fund notification	Can a fund download the .csv file multiple times?	An outbound file (validation report, return file or ATO initiated outbound) is available for unlimited downloads in BDE for 90 days.
19	Fund notification	Will the coronavirus early release notification appear as a new file type in the business portal?	Yes it will be an extra option for funds to select. The description for the Business Portal for the fund notification will be 'Compassionate Release of Super Notification COVID'.
20	Fund notification	How do funds contact the ATO to raise queries about their files or notifications?	Funds can direct queries to a new mailbox that has been created to manage all fund queries relating to coronavirus early release of super - <a href="mailto:FundCCRS@ato.gov.au">FundCCRS@ato.gov.au</a> .

## Other

<i>Number</i>	<i>Topic</i>	<i>Question</i>	<i>Answer</i>
1	Eligibility	What if a fund can identify that the member has not met the eligibility criteria as stated <b>or suspects fraudulent activity?</b>	<p>The ATO makes the determination based on self-assessment. The fund will not have all relevant information to be able to determine whether a person is eligible or not.</p> <p>However, if funds identify a case suspected to be high risk of fraud, this should be reported to the ATO. We will confirm the best approach to manage this during the duration of this measure.</p> <p>Funds can direct this information to - <a href="mailto:FundCCRS@ato.gov.au">FundCCRS@ato.gov.au</a>.</p>

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2	Eligibility	Can a temporary resident apply for the early release?	<p>On 16 April 2020 <a href="#">regulations</a> were made to give effect to the changes to eligibility for the coronavirus early release of super measure that <a href="#">were recently announced by Government</a>.</p> <p>The changes extend the eligibility of the coronavirus early release of super measure to the following:</p> <ul style="list-style-type: none"> <li>holder of a student visa which has been held for 12 months or more and unable to meet immediate living expenses</li> <li>holder of a temporary skilled work visa, working hours have reduced to zero and remain engaged with their employer</li> <li>holder of a temporary resident visa holder (excluding student or skilled worker visas) and cannot meet immediate living expenses.</li> </ul> <p>Temporary residents eligible under these grounds can apply for a release of up to \$10,000 of their super before 1 July 2020.</p> <p>There is no change to the way funds will be notified of these determinations or the treatment of the amounts released. It will be the same as the original coronavirus early release of super categories.</p>
3	Compliance checks	Will the fund be required to seek proof of eligibility?	No. The measure is based on self-assessment and the ATO will administer that through the application process.
4	Fraud	Will there be a claw back function if the money was incorrectly released or there was some fraudulent activity?	<p>Individuals will be warned during the application process about the penalties that apply to them if making a false and misleading statement.</p> <p>Any particular cases of concern will be managed by the ATO with the individual.</p>
5	Fraud	Will there be appropriate warning messages during the application process to deter inappropriate use?	Yes. Warnings about making false or misleading statements and declaration will be part of the application process. And the individual will make declarations.
6	POI	Is the fund required to release the funds without AML/POI checks?	<p>AUSTRAC have released the following statements:</p> <p><a href="https://www.austrac.gov.au/mygov-ato-online-early-release-super">https://www.austrac.gov.au/mygov-ato-online-early-release-super</a></p>

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7	Successor fund transfer	What if the members account is subject to a successor fund transfer?	<p><b>The determination provides that an approved amount can be released from a specified super entity. If there is a determination provided for a super entity that no longer exists due to a successor fund transfer, the successor fund cannot release an amount from another super entity.</b></p> <p>If the ATO issued a determination to an incorrect fund, we will need to manage this with the member.</p> <p>If a fund is aware that an SFT may disrupt the early release of super program, they should notify Super CRT and <a href="mailto:FundCCRS@ato.gov.au">FundCCRS@ato.gov.au</a></p>
8	Exempt public sector super schemes (EPSSS)	What happens if a person applies for release from an EPSSS?	<p>If an individual applies to the ATO, the ATO will process the application and make a determination even if the person selects an account in an EPSSS. The ATO will send a notification to the EPSSS. It will be up to the EPSSS how to respond to that SMS and what action to take with the individual in accordance with their own law and requirements.</p> <p>Similarly, if an individual approaches the EPSSS directly, it will be for the trustee to determine how to manage that request with the individual.</p>
9	Compliance checks	What compliance checks will the ATO put in place to monitor self-assessment?	Any compliance activity will be followed up by the ATO directly with the individual.
10	USM reporting	Will the ATO defer the April 2020 USM reporting?	The ATO has deferred the April 2020 USM reporting until October 2020.
11	POI	Does the AUSTRAC advice relate to applications in both channels, i.e. myGov applications and phone applications?	AUSTRAC have confirmed that the rule will apply to all payments approved by the ATO. AUSTRAC web content has been updated.

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12	Existing CRS applications	What happens to existing early release requests that have been approved, but not yet paid? (Understanding there is a limit to 1 payment -up to \$10,000- for each period under this new measure), what are the Fund and/or Member requirements, in order to switch (from an existing early release request) to the proposed new grounds for early release?	If a fund has an existing CRS request, this is to be processed as usual with the member approaching the fund with the appropriate correspondence and paid accordingly, it does not have any impact on a coronavirus early release if the client has had a CRS approved and paid or not-paid. The processes are separate and as such can be managed without dependency on each other.
13	Defined benefit funds	Can a person apply for a release from a defined benefit fund?	<p>An individual will be presented with all open accounts that are not in retirement phase when they apply – so this will include defined benefit accounts. The ATO will process the application and notify the defined benefit fund. It is at the defined benefit fund's discretion whether they release the amount or not.</p> <p>We encourage defined benefit funds to make clear to members whether they can or will release amounts in response to a coronavirus early release of super notification as an individual can only apply once in each financial year.</p>
14	POI	Can Funds use the Provision of details service (PODS) to obtain up to date contact details for the purpose of the new Early Release Measure?	When a fund receives a notification for a coronavirus early release of super, it is required to pay as soon as reasonably practicable. There may be occasions when a fund will need to contact the member to meet that obligation. In those scenarios, a fund is able to use PODS to obtain current contact details for the member.
15	Registration of interest	Will there be a registration of interest in coronavirus early release of super function for applications for the next financial year?	No.

## Fund support questions

<i>Number</i>	<i>Topic</i>	<i>Question</i>	<i>Answer</i>
*1	Bank account details	What happens if the individual puts the incorrect bank account details in the application form?	<p>The application form will check that there is a valid BSB.</p> <p>If a person notifies the ATO that they put the incorrect details in the application form they are advised to contact their fund and let them know. The ATO will not record other bank details when the determination has been made.</p> <p>Funds are reminded that the notification file from the ATO is not a direction to pay. It is notification of the determination which is that an amount can be released to a member from a super entity. The additional information in the file is provided to assist funds to pay as soon as reasonably practicable.</p> <p>If the fund trustee satisfies itself that payment should be made to an account that is different to the information provided in the ATO files (through appropriate contact with the member), the payment can be made to an alternate bank account as established with the member.</p>
*2	Bank account details	What should the fund do if the payment is rejected because the member bank account details are incorrect?	The fund will need to contact the member and request the correct bank account information.
*3	Bank account details	Can an individual put a non-Australian bank account in the application form.	No. The application form can only accept Australian bank account details.

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*4	Application process	Can an individual apply for an amount to be released from an account with a lost/inactive status?	Accounts with a lost/inactive indicator will be displayed within the application form and can be selected for early release of super.
*5	Application process	Will the ATO only allow one application per financial year or does the fund have to check?	ATO Online (via myGov) does not preclude an individual applying multiple times, however any secondary application submitted will be rejected by the ATO. The fund will only receive the first application from the member.
*6	Amount to be paid	Can a fund pay less or more than the approved amount?	<p><u>Paying more</u></p> <p>The fund cannot pay <u>more</u> than the approved amount in the determination.</p> <p><u>Paying less</u></p> <p>The cashing restriction for this condition of release is a 'single lump sum not exceeding the amount determined by the Regulator.' A fund may pay less than the approved amount if for example the member account balance is less than the approved amount, or the member contacts the fund and requests that a lesser amount be released.</p>

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*7	Release of funds	Are funds required to be released from the exact account provided in the determination notification file?	<p>The determination under regulation 6.19B of the SIS Regs provides that the Regulator makes a determination that a specified amount can be released from a specified superannuation entity. The member account information (and other details in the application) assist funds to pay as soon as reasonably practicable.</p> <p>If the super entity has an account for the individual that is not the account specified in the determination, the amount can be released from that account because the determination approves the release of an amount from that super entity.</p> <p>Example – the fund receives a notification of a determination that relates to a TRIS account. The fund speaks to the individual and they decide to commute the TRIS, and then release the amount from an accumulation account. Even though the member now has a new account in a new USI, the amount in the determination can still be released because it is the same superannuation entity.</p>
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*8	ATO initiated contact with funds	What information can be expected from the Fund Support team?	<p>The fund support team is reviewing information each day and will provide relevant information to the contact that has been nominated for the fund (or if no contact has been nominated, the contact the Super CRT use).</p> <p>The information includes a duplicate account report and information that is provided when individuals call the ATO call centres.</p> <p>All emails with relevant information have the subject line: 'URGENT: information about COVID19 early release of super determination'</p> <p>There are currently three reasons that would lead us to proactively contact funds:</p> <table border="1" data-bbox="1182 643 2040 1177"> <thead> <tr> <th data-bbox="1182 643 1615 703">Topic</th> <th data-bbox="1615 643 2040 703">Timing</th> </tr> </thead> <tbody> <tr> <td data-bbox="1182 703 1615 906">There is information in the duplicate account report which we monitor each day that is being investigated further</td> <td data-bbox="1615 703 2040 906">Each morning by 11am (subject to the report being available – otherwise as soon as possible)  And then further information as the investigation is concluded</td> </tr> <tr> <td data-bbox="1182 906 1615 1086">The individual has advised us they put the wrong bank account details in their application and we are providing notice of the error to the fund</td> <td data-bbox="1615 906 2040 1086">Twice a day around 11am and 6pm</td> </tr> <tr> <td data-bbox="1182 1086 1615 1177">The ATO has revoked a determination</td> <td data-bbox="1615 1086 2040 1177">Twice a day around 11am and 6pm</td> </tr> </tbody> </table> <p>The ATO will provide this information as soon as we can in line with the timing above. Where a fund has made a payment before they receive this information we will work with the fund and individual to resolve this</p>	Topic	Timing	There is information in the duplicate account report which we monitor each day that is being investigated further	Each morning by 11am (subject to the report being available – otherwise as soon as possible)  And then further information as the investigation is concluded	The individual has advised us they put the wrong bank account details in their application and we are providing notice of the error to the fund	Twice a day around 11am and 6pm	The ATO has revoked a determination	Twice a day around 11am and 6pm
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*9	Fund initiated queries	When can funds expect responses to their queries	<p>The ATO has worked quickly to put processes in place to quickly provide relevant information to funds as outlined above. This is to ensure funds have relevant information where they might want to stop a payment.</p> <p>Fund queries send to <a href="mailto:FundCCRS@ato.gov.au">FundCCRS@ato.gov.au</a> will be responded to as soon as possible.</p>
*10	Data files	What assurance is there that all files have been delivered and downloaded?	<p>The ATO is monitoring the data files that are delivered and downloaded. The ATO will contact funds through their nominated CCRS contact if we see files are not downloaded.</p>

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