

**TASMANIAN ASSOCIATION OF STATE  
SUPERANNUANTS  
SUPER-NEWS**

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*The Newsletter for and by TASS members*

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**TASS  
CHRISTMAS LUNCHEONS**

**SOUTH Drysdale Thursday 15<sup>th</sup> Nov**

**NORTH Casino Tuesday 20<sup>th</sup> Nov**  
Both start at Noon  
Details page 3

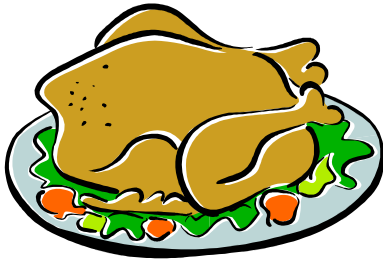
**EDITORIAL**

Members should receive this copy of Super-News just two weeks before the Federal election. Have you thought carefully about how you will vote this time? One change that is affecting those of us over 60 years of age is the change to the taxation on Super, the so called "Better Super". Later in this edition will be further information on the reduction of tax that flows from 'Better Super'. Members are also alerted to the easing of the limits for Assets and to a lesser extent income tests which will mean that more will become eligible for Centrelink payments. See page 12. The executive have contacted each person standing for election in this State asking a number of relevant questions. At the time of going to press we have only received non committal replies. Should a major party commit we will advise members by a notice in the public press.

Also in this issue will be a pre-paid envelope addressed to TASS. On page 5 you will find a membership form. Please complete the form, include your subscription and place in the envelope. To delay could mean that you forget. Thank you for your continued support in the past, we will still need it in the future.

As I feel sure that we will all have had our fill of electioneering, in this issue are a few lighter items included for your amusement. *ED.*

## FUTURE MEETINGS



Christmas Luncheons  
South 15<sup>th</sup> Nov. Drysdale  
North 20<sup>th</sup> Nov. Casino  
See page 3

Next Executive Meeting  
Jan. 15<sup>th</sup> 2008 at 1.30  
Forestry Tasmania

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### Memory Training

In the last issue an invitation was extended to TASS members to attend a free memory training course. TASS members together with seniors from U3A and other organisations, totalling about 75 people, attended. Most of us were a little sceptical of success. At the end of the two hour session nearly everybody in the hall was able to recall a 15 digit number and also a list of 15 complex items on a shopping list. The Czech guest speaker used Mnemonics to improve our recall. I think that it is fair to say that on leaving each of us who attended were proud of our success and very impressed with the technique.

Now let's be honest how many of you intended to attend but forgot!!

Everyone has a photographic memory; some just don't have film

## CHRISTMAS GREETING FROM YOUR PRESIDENT

### The Pause that Refreshes

Year's end is rushing towards us again, and with it the Festive Season.

It has been a very busy, but rewarding year for the TASS executive resulting in positive outcomes for Tasmanian superannuants. We have been able to establish a productive dialogue with the RBF on several issues, in particular on the implementation of Better Super, and the resolution of the Invalidity pensioners' problem. I believe we have received very good outcomes on both issues, and I would like to take this opportunity to thank the RBF Board and staff, on behalf of the Association, for their considerable efforts in achieving these good results.

In particular I would like to thank Leigh Roberts, Executive Manager Stakeholder Services, for providing a patient and supportive conduit for our comments and questions.

May I, on behalf of the committee, wish all members a happy Christmas and a trouble free and healthy 2008.

Rob van Schie  
President

## **TASS Christmas Luncheons November**



November is the time that TASS members get together for a very pleasant luncheon with friends and workmates that we may have not seen for many years. This year we will be holding two functions. The first will take place at Drysdale House Hobart for our Southern members and the second at the Launceston Casino for our Northern members. For those who have attended previously we do hope to see you again, for new members or those who have been unable to make previous functions, we look forward to meeting you. The cost for both functions has been kept to a minimum and both venues will provide quality meals. The details of both functions are given below and members are most welcome to attend each, as many of the executive will.

We really do hope to continue the wonderful attendance as in previous years. The meeting part will be kept very brief to allow those present to enjoy the meal and friendship. With both events the cost includes the meal and tea/coffee. Any additional beverages will be paid for by those ordering them.

### **SOUTHERN CHRISTMAS LUNCHEON**

at

**DRYSDALE HOUSE**

**59 Collins St.**

**Hobart**

**THURSDAY 15<sup>th</sup> NOVEMBER**

**Starting at Noon**

**Cost \$20**

**Phone Rob. vanSchie 6229 7923**

**Before Monday 12<sup>th</sup> Nov.**

### **NORTHERN CHRISTMAS LUNCHEON**

at

**COUNTRY CLUB CASINO (Links Restaurant)**

**LAUNCESTON**

**TUESDAY 20<sup>TH</sup> NOVEMBER**

**Starting at Noon**

**Cost \$20**

**Phone June or Bert Hazzlewood 6327 2562**

**Before Friday 16<sup>th</sup> Nov.**

# YOUR TASS WEBSITE



A reminder to all TASS members that we have recently created our own website at [www.tass.org.au](http://www.tass.org.au) which contains a wealth of useful information.

On this website there are eight so called PAGES which your Executive considers may assist members to keep abreast of what can be quite complex issues:-

**ABOUT US** This explains what are the main objectives of TASS and allows access to the latest version of our Constitution.

**NEWS** Which gives details of any changes to our website and contains both the latest issue of Super-News and an archive which currently now contains those past Super-News published since our website was created. As each new Super-News is published the previous issue will move to the Archive.

The **NEWS PAGE** will also contain information on such current concerns as Federal Election issues and RBF issues.

**LINKS** Where you can directly access such frequently needed and most useful websites as RBF; Centrelink; Australian Taxation Office; Mystate Financial; SCOA and Seniors Card Information. Simply click on the appropriate icon to connect directly to their website.

**CONTACT US** Which lists access details for all TASS Executive members.

**APPLY** Here applying for membership is made easy. The benefits of membership are explained and applications can be easily prepared and electronically processed.

**FORUM** The purpose of providing a forum is for all members to “have their say” on whatever matter they choose and to have the opportunity to electronically communicate with other TASS members. That which presently appears in our forum page is intended only as a sample of what might be. This PAGE is still under development and we hope soon to issue simple instructions on how to “sign in” and use this facility. Could be lots of fun and the create the opportunity to make new “like minded” friends.

Your Executive encourages all membership to try out this TASS website.

Mal. Jones, TASS Webmaster

The last of the 2007 Bits.

I am sure that someone has during the year cut off a few months off the year. It is Christmas time again and all that goes with it. Some people have holidays and an easy time, some have the worst time of the year with fires, road accidents and holiday problems. The best wish is for a happy and safe period to all; especially of course to those fortunate enough to be able to read this newsletter.

The excitement of the election will be now at its peak and soon all forgotten, so that is the good news. We will have had an interesting year and there have been some positives as well as the problems, next year will be with a different set of the same; some good and some not so good. Members of the TASS executive would like to feel that some of the work during the year has paid off and maybe some will bear fruit at a later date. One thing is sure; without organizations such as ours; all of us would be worse off. We rely on the support of members to keep this Association viable and therefore worthwhile.

Just a couple of reminders.

Please advise us if your current address changes, remember we operate independently from the RBF.

If possible have a look at our web-site [www.tass.org](http://www.tass.org) this has been a major new initiative this year and like it or not, computers are going to feature more in our future. We consider this will be an extra for those members interested; it will not now replace the printing and posting that we currently use; until members ask for that to happen.

### INVITATION to RE-JOIN TASS

If you have already paid your membership for 2008; **thank you**, your new card is enclosed with this newsletter, so **disregard** this invitation.

\*\*\*\*\*

The main objectives of TASS are:

To maintain an effective representative Association and either separately or in conjunction with similar organizations to advocate and contribute to the development of government policies which protects the living standards of State Superannuants.

As this invitation is going to existing members it is not as detailed as to a prospective new member. There are some members who have not included their spouse or partner with their membership, please check as we would appreciate membership of couples. You may apply to become a member of this Association if: You receive, are now eligible, or will eligible to receive a superannuation pension from the contributory defined benefit scheme administered by the R B F in Tasmania. You are the partner of a person eligible for membership.

Notes regarding subscriptions: See the application form on the reverse of this page.

#### **Members receive:**

A receipt for any payments made to TASS; a membership card which identifies you as a superannuant; in some areas will enable you to receive a small reduction for certain goods and services; this varies from location to location, and from time to time; a copy each quarter of our newsletter **Super-News**; advice or referral to the appropriate authority, if required, when dealing with matters related to your superannuation or pension payments and entitlements.

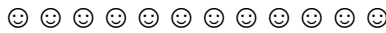


By Lance Brown

**DUES TIME AGAIN**

We still make the request for more feedback from members. Are we are going in the right direction? Without some words of caution or encouragement from the members, we do not know. If you have any comments that would be helpful please note contact us.

We have had a good year and the Executive have continued to meet and work harmoniously together, some are getting near their retirement age and would appreciate some new interested members to join and participate. The commitment is for a couple of hours from 1.30 P M on the third Tuesday each month (except December). On the other hand there are some offices that require more time and expertise; the current holders would like a break too. We do not have anyone who can really look into taxation matters or retirement homes, two areas we have been forced to neglect because of the lack of experienced and willing members. Can you help here? The help would preferably but not necessarily involve attending all meetings, but it would involve writing explanatory articles for Super/News.



As jokes have a quick method of travelling these may have already passed you – An interviewer asked “And what is the best thing about being 104?” She simply replied “No peer pressure” To prevent sagging just eat until the wrinkles fill out. My memory is not as sharp as it used to be; also my memory is not as sharp as it used to be

**Please cut this out and send it off soon,**

**Please Cut** \_\_\_\_\_

**APPLICATION for MEMBERSHIP of TASS for 2008**

Preferred Title	Initials	Surname
1. (Superannuant)	_____	_____
2.	_____	_____

Postal Address:

\_\_\_\_\_

Phone No :(0 \_\_\_\_\_ ) \_\_\_\_\_ Post Code: \_\_\_\_\_

**Please tick payments.** Single or Couple = \$12.00 ☺

For Widow or Widower of Superannuant = \$7.00 ☺

**Note:** Optional Donation = \$..... ☺

For members outside Australia there is an extra postage charge = **\$ 5.00.**

Please advise us of any change in these details. **Total = \$.....**

Existing Membership Card(s) No(s).....

**PLEASE do not use staples**

. Cheque ☺ Money Order ☺ 50c Stamps ☺

FOR OFFICE USE

Date Received

Receipt No.

## BETTER SUPER

Those who have attempted to follow the tax changes that began to effect our Superannuation payments from 1 July this year would probably realised that the original title of “Simpler Super” has now changed to “Better Super”. While the second term more accurately describes the changes, the first term was not a very good description at all, as understanding the changes has been anything but ‘simple’. Although the TASS executive feels that we have been able to keep up with most of the ramifications of the changes, we also are still learning new features. President Rob. has continued a valuable dialog with RBF by a very helpful member of staff, Leigh Roberts, and at our last executive meeting RBF Manager Financial Services, Michael Mulley met with us to answer any questions relating to the changes. What follows is my understanding of what was said. It should only be used as a guide to understanding the changes but not a legal definition of the situation. *Ed.*

**Superannuation payments are taxed depending on the Super Fund being taxed (Funded) or untaxed (Unfunded). Our scheme with RBF is partly funded by the State government. The following statement relates to RBF pensioners over the age of 60.**

*The part of the pension funded by the State government is referred to as the 'Untaxed Element', this is because these funds have not previously been taxed. The average untaxed portion of an RBF Defined Benefit Life Pension is 70%, however this can vary depending on rate of contributions, years of service, and employment percentage whilst an RBF member. The 'untaxed element' remains assessable for tax purposes.*

*The Tax-Free Component is calculated based on the exempt components included in the original benefit. As the name suggests this part of the pension is tax free.*

*The Taxed Element is what ever is left over. For members over 60 this part is also not assessed for tax purposes.*

*As of 1 July the pension also attracts a 10% tax offset which is equal to 10% of the untaxed element for pensioners. A tax offset directly reduces the amount of tax payable. RBF applies this as a fortnightly rate, so it reduces the tax payable per fortnight. (Email from Leigh Roberts)*

**For some time we have had concerns that although the larger part of each member's contribution to RBF was taxed, this would not be properly recognised as we were part of an untaxed fund. The good news from Michael was that the taxed portion of the member's contribution would indeed be treated as fully taxed as described above. There is no need for members to worry about this now as RBF has already began adjusting our tax which will give each of us over 60 an increase in after tax pay. In 12 months time when we are completing our annual tax return (if necessary) the relevant information will be provided by RBF on the group certificate. As a guide the following tables were produced to assist members in gauging just how much tax will be saved with the changes.**



# BETTER SUPER

In summary, members 60 or over in receipt of an RBF Defined Benefit Life Pension are taxed as follows:

**Untaxed Element is assessed for tax purposes**

**Remaining pension is not assessed**

**10% offset = 10% of the untaxed element.**

It should be noted that for members who are 60 or over the 'Undeducted Purchase Price Deductible Amount' no longer exists - as the value of pension that is not assessed for tax purposes has been recalculated in a different manner and is now referred to as the tax free component.

## EXAMPLE. 1

Annual Pension = \$40,000.00

Untaxed Element % = Say 70%

Taxed Element % = 100% - Untaxed Element % = 100% - 70% = 30%

Taxable pension per annum (Untaxed Element) = \$40,000 X 70% = \$28,000.00pa

Tax Exempt Pension Per annum = Remaining Pension value (Taxed Element + Tax Free

Component) = \$40,000.00 - \$28,000.00 = \$12,000.00pa

Offset = 10% of untaxed element = \$28,000.00 X 10% = \$2,800pa

## Pensioners under 60.

The only new tax treatment for members under 60 is a 15% offset calculated on the taxed portion of their pension.

{[Pension X Taxed Element %] - deductible amount} X 15%

The taxed element % = 100% - untaxed element% = 100% - 70% = 30%

As mentioned previously, an offset directly reduces the amount of tax payable.

## EXAMPLE. 2

Annual Pension = \$40,000.00

Untaxed Element % = 70%

Deductible Amount = \$3,000.00

Taxed% = 100% - 70% = 30%

Tax Offset = [(\$40,000 X 30%) - \$3,000.00] X 15%

= (\$12,000.00 - \$3,000.00) X 15%

= \$9,000.00 X 15%

= \$1,350 per annum

**It is anticipated that RBF will advise us all of our increased income after this issue goes to press but before it reaches you. This is mentioned as you could be aware of some aspect that we are not aware as this issue goes to press. The increases have been credited to our accounts since the 17<sup>th</sup> October but some back-pay will also be credited to cover the period from 1<sup>st</sup> July this year. In summary those of us over 60 who are on a defined benefit pension and have been paying income tax will now be getting a significant increase in our after tax income.**



## **Report by President Rob. of the Annual meeting of the Australian Council of Public Sector Retiree Organisations**

I represented TASS at ACSPRO's AGM, which is held in Canberra in October each year. Other representatives came from Victoria, NSW and South Australia.

**The major agenda item** was the Superannuated Commonwealth Officers Association national campaign, directed at the Federal Government and Opposition, to seek improvement in the indexation of pensions received by retired Commonwealth public servants, and retired military personnel. The campaign is a joint effort of SCOA, RDFA and ACSPRO.

Our Association has organised a similar campaign, in Tasmania, in support of our Commonwealth colleagues, because the Tasmanian Government will not agree to improve indexation of State superannuation pensions until such time as the Federal Government takes the lead. The forthcoming Federal election provides the impetus for the campaigns.

[A progress report on the indexation campaigns is on page 10.](#)

**A second major agenda item** was the effect of Better Super (originally called Simpler Super) on the taxation of additional, non superannuation income (e.g. Centrelink pension), as well as on the eligibility for the Commonwealth Seniors Health Card, and on the Medicare levy liability.

Retired persons, 60 years and older, drawing superannuation income from a taxed fund do not have to declare this income as taxable income. This means that any additional, non superannuation income is taxed from a zero base. As well their eligibility for the CSHC is considerably enhanced, and their medicare liability significantly reduced. On the other hand, retired persons, 60 years and older, receiving pension income from an untaxed scheme, such as the majority of retired State and Commonwealth public servants and those retired from the Defence Forces, continue to have to declare this income as taxable. Their eligibility for the CSHC, and their medicare liability remain unchanged, while any additional income will be taxed at their original marginal rate.

This is an unintended anomaly which has arisen from not having to declare income derived from fully taxed superannuation funds as assessable income. TASS has already written to Tasmanian candidates in the Federal election about this discrimination, and ACSPRO will also approach the Federal Treasurer.

Note that both indexation and discriminatory taxation issues are already documented on our website [\*\*www.tass.org.au\*\*](http://www.tass.org.au)

## **Indexation Campaigns 2007**

### **Sharing in the rising living standards of the Australian community**

This is not the first time campaigns have been conducted. TASS ran a major State based campaign in 2006, leading up to the State elections. Commonwealth superannuants have also run campaigns in the past. It invariably takes a long time for governments to acknowledge that action is required. It is encouraging to find the government offering a Utility allowance to self funded retirees to assist with the payments of increased costs of food, electricity, etc.

A full time manager has been appointed to manage the SCOA campaign. SCOA is continuing to organise meetings with current and prospective parliamentarians, place advertisements targeting marginal seats, to obtain time on radio programs and to place articles in the print media. A number of backbenchers are now sympathetic to our cause. At this stage however the Finance Minister, Senator Minchin, is adamant that the CPI provides a reasonable measure of the cost of living, and that the living standards of retired Australian Government civilian employees are not being eroded. The Labor Party promises another enquiry.

Our own campaign in Tasmania has shown that sitting members and candidates invariably refer our letters to Senators Minchin or Sherry for an answer. At the AIR election forum held in Hobart on 26 October we received an undertaking from Liberal Senator Bushby that he personally would take up this issue with Senator Minchin. Senator Sherry indicated his support for our claims, and confirmed that the Labor party will release a financial paper before the election which will also address indexation. The Family First candidate Jacky Petrusma, and the Greens candidate Andrew Wilkie confirmed that their parties supported our claims.

Please support our campaign. Discuss our concerns with your local federal politician and candidate. Refer them to our website.

### **RBF pays tax liability for miscalculation**

The RBF announced on 27 September that it will pay the tax liability, resulting from a miscalculation, on behalf of 260 Total and Permanent Contributory Scheme Invalidity Pensioners. The RBF has successfully negotiated this outcome with the Australian Taxation Office and Centrelink.

The RBF has apologised to these pensioners for any distress that has occurred during the past few months while awaiting the resolution of the matters. TASS took this issue up with the RBF and is pleased that it has been resolved satisfactorily. Elsewhere in this newsletter the implementation of "Better Super" for Invalidity pensioners, effective from 1 July, is outlined.

Rob. van Schie President

## The Following Directions were gleaned from the Internet

1. On a Taiwanese shampoo -  
USE REPEATEDLY FOR SEVERE DAMAGE.
2. On a helmet mounted mirror used by US cyclists -  
REMEMBER, OBJECTS IN THE MIRROR ARE ACTUALLY BEHIND YOU.
3. On a Swedish chainsaw -  
DO NOT ATTEMPT TO STOP CHAIN WITH YOUR HANDS OR  
GENITALS.  
(What kind of consumer phone-call led to this warning?)
4. On the bottle-top of a (UK) flavoured milk drink -  
AFTER OPENING, KEEP UPRIGHT.
5. In a US guide to setting up a new computer -  
TO AVOID CONDENSATION FORMING ALLOW THE BOXES TO WARM  
UP TO ROOM TEMPERATURE BEFORE OPENING.  
(Sensible, but the instruction was INSIDE the box.)
6. On some frozen dinners      SERVING SUGGESTION - DEFROST.
7. On a Sears hairdryer -      DO NOT USE WHILE SLEEPING.
8. On packaging for a Rowenta iron      DO NOT IRON CLOTHES ON BODY.
9. On Nytol sleep aid      WARNING MAY CAUSE DROWSINESS.
10. On an American Airlines packet of nuts  
INSTRUCTIONS - OPEN PACKET, EAT NUTS.
11. On a hotel provided shower cap in a box      FITS ONE HEAD
12. On Marks & Spencer Bread Pudding -      PRODUCT WILL BE HOT  
AFTER HEATING.
13. On a Korean kitchen knife -      WARNING! KEEP OUT OF CHILDREN.
14. On a Japanese food processor      NOT TO BE USED FOR THE OTHER USE.  
(Now I'm curious.)
15. On a Japanese product used to relieve painful hemorrhoids -  
LIE DOWN ON BED AND INSERT POSCOOL SLOWLY UP TO THE  
PROJECTED PORTION LIKE A SWORD-GUARD INTO ANAL DUCT.  
WHILE INSERTING POSCOOL FOR APPROXIMATELY 5 MINUTES,  
KEEP QUIET.

## USEFUL CONTACTS FOR MEMBERS

As a service to members TASS will include a regular section giving useful contact points (usually telephone numbers) which may be of value to members. If you are aware of a contact that could be of interest to other members which we have not included please advise the editor on 62601026.

RBF Pension queries or death of the superannuant	1800 622 631
Australian Tax Office	
Income Tax inquiries.....	132861
Superannuation help.....	131020
Tax Refund.....	132863
R.B.L. Help.....	132864
CENTRELINK	
To book an appointment at a regional office.....	131021
Pension enquiries.....	132300
Overseas Pensions.....	131673
Family enquiries.....	131305
Disability, sickness and carer.....	132717
Hearing or speech impairment.....	1800 000 587
Financial Services	
Burnie.....	6434 1535
Devonport.....	6424 0665
Launceston.....	6332 8298
Hobart.....	6232 1555
Bellerive.....	6244 0566
Better Hearing Australia (Hobart) Voluntary group.....	6228 0011

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### PENSION LIMITS AS FROM SEPT 2007

#### **INCOME TESTS**

Part pension is possible for a couple receiving less than \$2,492 per fortnight

Single receiving less than \$1,491 per fortnight

For a Pensioner couple separated by ill health, less than \$2,949 per fortnight

Commonwealth Seniors Health Card for a couple on less than \$80,000 per year  
for single on less than \$50,000 per year

#### **ASSETS TESTS (not including your home)**

	For Full Pension	For Part Pension
a) For Home Owners		
Single Pensioners	Up to \$166,750	Less than \$529,250
Couples (Combined)	Up to \$236,500	Less than \$839,500
Couples Sep. due to ill health	Up to \$236,500	Less than \$960,500
b) For non-home owners		
Single Pensioners	Up to \$287,750	Less than \$650,250
Couples (Combined)	Up to \$357,500	Less than \$960,500
Couples Sep. due to ill health	Up to \$357,500	Less than \$1,082,500

*Should you change your address would you please advise us of your new address. Some members believed that advising RBF of a change will also involve that information also coming to us. This is not so. RBF quite correctly keep their address data confidential and will not pass this information on to us. If we do not have your address we cannot send you Super-News.*