Transfer of Overseas Pension Funds

Can I transfer my overseas pension funds to my QSuper account?

We might be able to accept super benefits from your overseas fund if they let you transfer your benefit to Australia. Just keep in mind there might be conditions you need to meet before your overseas fund can release your money, and there might also be taxes you need to pay both overseas and in Australia. You will need to decide what's best for your personal circumstances, and it's a good idea to get personal financial advice to help you make a decision.

What funds can't be transferred?

Unfortunately we currently cannot accept funds from a United Kingdom pension under the Qualifying Recognised Overseas Pension Scheme (QROPS) regime. You can read more about QROPS restrictions on the UK Government's website: gov.uk/government/collections/overseas-pension-schemes

Also, we cannot accept funds in from New Zealand pensions (known as KiwiSaver), but we are able to transfer funds out. You can read more about this on the New Zealand Government's website: ird.govt.nz/kiwisaver

Super and pension funds

Just like here in Australia, many countries around the world have a super or pension system for their citizens. They all have their own rules about how the funds are managed and how you receive your benefit. The Australian Taxation Office (ATO) oversees all transfers from overseas and has rules for how these transfers may be taxed. You can read more about it on their website.

Transferring your money from overseas funds

It's important you know that the differences in rules between overseas and Australian funds could affect your benefit, so you need to decide if transferring your money is right for you. For example, you might need to leave some of your benefit in your overseas fund, or the amount that's transferred could be less than you expected because of tax you have to pay on it. Your overseas fund might only let you access your benefit if you meet certain conditions, such as: to guarantee a minimum pension, or to comply with legislation.

What should I consider?

You will need to contact your overseas fund to check if you are able to transfer your money to your QSuper Accumulation account. Before you make a decision, it's a good idea to consider some questions, such as the following:

- Is it in your best interest to transfer your money?
- Are the benefits available in your overseas fund better than those you will receive by transferring the money?
- Will your overseas fund reduce your benefit if you transfer your money before your retirement age?
- Does your overseas fund provide a benefit, which may be indexed and continue to grow over time?
- Have you thought about the impact of different currency exchange rates if you transfer your money?
- Will your overseas fund take out tax from your benefit if you transfer it?
- Will you have to pay tax when you transfer your money?

For amounts other than rollovers, you should also check if you are eligible to pay the money into your QSuper Accumulation account and whether it would affect your non-concessional (after-tax) contributions cap.

Our *Personal Contributions Guide* can tell you more about your preservation age, contributions cap, and other tax-related details you should consider before making the decision to transfer funds into QSuper.

You can download a copy of this guide from our website: qsuper.qld.gov.au/calculators-and-forms/publications/guides

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What happens when the money is transferred?

Most of the time transfers are considered non-concessional (after-tax) contributions and count towards the non-concessional contributions cap. And, according to the information on the ATO website, this would generally mean that there is no tax payable when we receive your money and the amount you transfer becomes part of the tax-free component of your super, with two exceptions:

1. If your transfer exceeds your vested benefit in the overseas fund on the date your money is transferred, the amount in excess of the vested benefit is considered a concessional (before-tax) contribution and taxed when we receive it. This money then becomes part of the taxable component of your super and you could pay tax on it when you withdraw it (read our *Tax Explanation* factsheet for more information).
2. If you transfer money six months after becoming an Australian resident or leaving your overseas job, you may be required to include an earnings amount in your assessable income. You can change the status of any earnings from personal income to a taxable contribution to your super through the ATO.

To get started with a transfer of an overseas pension:

Download a copy of the 'Completing your *Choice to have your Australian fund pay tax on a foreign super transfer*' document from the ATO's website at: ato.gov.au/Forms/Tax-payable-on-foreign-super-transfer/

We will need to receive a completed copy of the form included in this ATO document.

To help you complete the form you may need to contact your overseas fund first and ask them to send you a benefit statement.

For more information

To find new ways to get more out of your super, try our tools and calculators on our website at **qsuper.qld.gov.au**. Or call us on **1300 360 750**. We'll be happy to discuss your options.

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