



INITIAL SEVERANCE CLAIM GENERAL INFORMATION

CLAIM PAYMENTS

Workers with a Protect account receiving severance contributions may make a claim at any time they leave their employment including:

- Redundancy
 - Resignation
 - Termination
 - Promotion to an above award position 'off the tools'
 - Retirement
- Total and permanent disability *
 - Death *

** Requires different paperwork. You or your beneficiaries should contact the Member Services Team for assistance on 1300 344 249.*

BANKING INFORMATION

Payment will be made to your account within five business days of receiving your claim, provided your claim is accepted. Please note that we cannot pay your benefit into a credit card account.

We depend upon the accuracy of the details that you provide us. If insufficient bank details are provided to us, payment will not be made and a bank fee may be charged for rejected payments. Please check with your bank if you are unsure of your bank account details.

Payment Summary

Protect is compliant with Single Touch Payroll, which is government mandated taxation reporting via the Australian Taxation Office. Therefore, your payment summary will no longer be mailed and is instead available from ATO online services at www.my.gov.au

INITIAL CLAIM LIMITS

Under the terms of the Trust Deed which governs Protect, the maximum amount paid on an initial claim is based on the event which caused your employment to terminate:

DUE TO REDUNDANCY:

An amount equal to your tax free entitlement, or balance of your account, whichever is lesser.*

Any balance that may remain of your entitlements will be available to you after four weeks, as a subsequent claim, providing you meet certain conditions.

**If under age pension age. The ATO does not permit those over age pension age to claim redundancy.*

DUE TO ANY REASON OTHER THAN REDUNDANCY:

- **Termination**
- **Resignation**

The total amount standing to your credit in your Protect account or \$6,500, whichever is the lesser.

Any balance that may remain will be available to you after four weeks, as a subsequent claim, providing you meet certain conditions.

• **Promotion 'off the tools'**

The total amount standing to your credit in your Protect account or \$6,500, whichever is the lesser.

Any balance that may remain will be available to you after 39 weeks, as a subsequent claim, providing you meet certain conditions.

Please note that your claim form must be accompanied by employer confirmation of your promotion via their Protect account, or on letterhead.

• **Retirement**

You may claim the full balance of your account on retirement. Please note that you are only eligible to receive tax free redundancy payments up to your age pension age.

TAX ON CLAIMS

The tax you pay is set by the Australian Taxation Office and is determined by the reason you left your employer.

DUE TO REDUNDANCY:

Only a payment for genuine redundancy is eligible for a tax free component. The amount is indexed each financial year, for 2021/22, the tax free amount is equal to:

→ *\$11,341 for the first year plus \$5,672 for each additional complete year of service with your employer*

Any part of the genuine redundancy payment which exceeds the tax free amount will be taxed as an Employment Termination Payment (ETP). Find ETP tax rates below.

DUE TO ANY REASON OTHER THAN REDUNDANCY:

All payments other than the tax free part of a genuine redundancy payment are taxed as ETP. The amount of tax payable on an ETP up to \$225,000 is 32% if under your preservation age, or 17% if over your preservation age. Payments over \$225,000 are taxed at 49%.

Date of Birth	Preservation Age
Before 1 July 1960	55
1 July 1960 - 30 June 1961	56
1 July 1961 - 30 June 1962	57
1 July 1962 - 30 June 1963	58
1 July 1963 - 30 June 1964	59
After 30 June 1964	60

Income + ETP combined

Should your income, including your Protect ETP, exceed \$185,000, part of your ETP may be taxed at your marginal tax rate via your personal tax return. Your ETP may also effect other entitlements such as family payments and private health insurance rebates. Payments which are made for genuine redundancy are the exception, these are not included in your ETP.

Late payments

If you make an initial claim on your account more than 12 months after you leave employment or retire, your claim payment is no longer considered an ETP. Under tax law, after a year these payments are considered to be ordinary income and taxable at your marginal tax rate. Accordingly, Protect will withhold tax at 47% from all late claims (excluding redundancy claims).

TAX ADVICE : Protect cannot provide you with specific tax advice. We strongly recommend that you consult with your financial advisor or the ATO to discuss the effect of your Protect claim payment on your own personal circumstances.

Please contact the Member Services Team on **1300 344 249** for further information or assistance with your claim



INITIAL SEVERANCE CLAIM FORM

MEMBER DETAILS

TITLE	GIVEN NAME/S	SURNAME
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
DATE OF BIRTH	PROTECT MEMBERSHIP NUMBER	TAX FILE NUMBER
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
ADDRESS		
<i>PLEASE NOTE: Failure to provide your Tax File Number will result in tax being paid at the highest rate</i>		
<input style="width: 100%;" type="text"/>		
SUBURB	STATE	POSTCODE
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
MOBILE NUMBER	EMAIL ADDRESS	
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	

EFT PAYMENT DETAILS

ACCOUNT NAME	BSB	ACCOUNT NUMBER
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>
BANK	BRANCH	
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	

CLAIM DETAILS

REASON: Please select the reason you have separated from your employment:

Termination
 Resignation
 Genuine Redundancy
 Promotion 'off the tools'
 Retirement (please **place an X** in the box below)

NOTE: Only mark this box if you are claiming due to retirement → I declare that I have reached my preservation age

YOUR EMPLOYER

COMMENCEMENT DATE

SEPARATION **OR** PROMOTION **OR** RETIREMENT DATE

Please advise the amount you wish to be paid from your Protect account

Please pay me PART of my initial claim limit: \$ _____
 OR
 Please pay me my FULL initial claim limit

- I declare that I have separated from my employer due to the selected reason above.
- I request that I be paid the amount standing to my credit in my Protect member account.
- I request that I be provided with all relevant payment summaries covering the amount in point b) within 14 days of that amount being paid.
- I authorise, if applicable, that any balance held in my name in Protect Severance Scheme be transferred to Protect Severance Scheme No 2, in order to pay this claim.
- I confirm that I have read and understood the general information provided with this claim form.
- I declare that all details provided on this claim form are true and correct.

Reason for separation	Initial claim limit	Tax applicable on initial claim
Genuine Redundancy	Up to the tax free threshold* or your account balance, whichever is the lesser	Nil (17% if over pension age)
Termination	\$6,500	17% if reached preservation age 32% if under preservation age
Resignation	\$6,500	17% if reached preservation age 32% if under preservation age
Promotion 'off the tools'	\$6,500	17% if reached preservation age 32% if under preservation age
Retirement	Entire balance	17%

* For the 2021/22 financial year, the tax free threshold for genuine redundancy is: \$11,341 plus \$5,672 for each complete year of service

SIGNED _____ DATE _____