

Making a Death claim

Fact Sheet

About this fact sheet

This Fact Sheet provides important information about who is eligible to claim and how to apply for a death benefit after a TelstraSuper member has passed away.

We understand that losing a loved one is difficult, so we're here to help guide you every step of the way. A death benefit is made up of the deceased member's account balance and any insurance benefit payable (if they had active death insurance cover).

If you believe you may be eligible to apply for a death benefit, we're here to help. We aim to finalise the death claim as quickly as possible. The time it takes to assess the claim depends on obtaining all the required information and whether the distribution meets legislative requirements.

What is a death benefit?

A superannuation death benefit consists of the member's superannuation account balance (less any appropriate charges and taxes) plus any Death insurance benefit (if applicable).

The superannuation death benefit does not form part of the deceased estate and is not paid in accordance with the member's wishes in their Will. TelstraSuper can only pay a death benefit as allowed by the Superannuation Industry Supervision (SIS) Act 1993 (the Act which governs superannuation), TelstraSuper's Trust Deed (the legal document which sets out the rules of the Fund), and the Income Tax Assessment Act (ITAA) 1997.

How is a death benefit paid?

This can be paid as either:

- a lump sum, or
- an income stream (if eligible). Refer to the **TelstraSuper RetireAccess Product Disclosure Statement** to see who is eligible to receive a death benefit income stream.

Who can claim a death benefit?

A death benefit can only be paid to dependants of the member or their Legal Personal Representative (LPR).

Who is a dependant?

Under superannuation law a 'dependant' means:

- a spouse of the member, including a legally married spouse, de facto spouse (including same sex partner), ex-spouse (separated but not divorced)
- a child including adult child, step-child, ex-nuptial and child of the member's spouse
- any person who was financially dependent on the member at the time of death
- any person who was in an interdependency relationship with the member at the time of the member's death.

What is financial dependency?

A person who substantially relied on the member for financial support where the dependent was unable to meet their normal living expenses without the financial support of the member, such as for payments of bills, rent or mortgage. TelstraSuper requires evidence of financial dependency.

What is an 'interdependency relationship'?

Two people may have an interdependency relationship if:

- they have a close personal relationship, and
- they live together, and
- one or each provides the other with financial support, and
- one or each provides the other with domestic support and personal care.

A close personal relationship may be considered an interdependency relationship if either or both persons have a physical, intellectual or psychiatric disability. Taxation law sets out the criteria for interdependency. An interdependency relationship does not generally apply in respect of housemates, parents or children.

What is a Legal Personal Representative (LPR)?

Generally, this is the person who is representing the deceased individual or managing the deceased estate, either:

- the executor - if the deceased left a valid Will, or
- the administrator - if the deceased died without a Will.

The administrator is granted Letters of Administration from the relevant state or territory court. TelstraSuper may request probate or Letters of Administration from the LPR if necessary.

What is probate?

Probate is a document issued by the court certifying the Will is valid and can be acted upon. It also confirms the appointment of the executor/s.

What if the member has nominated preferred beneficiaries?

TelstraSuper will consider all preferred nominations by the member, however, TelstraSuper is bound by relevant superannuation law and the Trust Deed when determining to whom a death benefit is paid.

What if the member has made a binding death benefit nomination?

TelstraSuper will pay the person/s as nominated, as long as the nomination is valid at the time of death and the beneficiaries qualify as dependants, and/or the legal personal representative.

What if the dependant or beneficiary is a minor?

TelstraSuper will require the legal guardian to claim on their behalf. Generally, a payment for a minor child is paid to the legal guardian for the minor's advancement, education and maintenance. However, in some instances TelstraSuper will require a child trust be established for the protection of the minor child.

How is a death benefit taxed?

The table below shows how the taxable component of a Death payment may be taxed if paid as a lump sum.

Tax on a death benefit payment as a lump sum	
Paid to Dependants:	Is tax payable?
<ul style="list-style-type: none">· spouse or de-facto· former spouse or de-facto· any child of the deceased member (under 18)· any person financially dependent on the deceased member· any person in an interdependent relationship with the deceased member at the time of death.	No
Paid to the Estate (LPR) of the deceased member	No
Lump sum paid to: Non-financial dependent of the deceased member	Yes. The taxable portion will be taxed at 15%* and any untaxed element will be taxed at 30%*. If the tax file number of the non-dependant is not provided, tax will be paid at the highest marginal tax rate (plus the Medicare levy).

*Plus the Medicare Levy

Please note: There is a difference in the definition of dependants in the Superannuation Industry (Supervision) Act (SIS) compared to the Income Tax Assessment Act 1997. The Tax Act stipulates that tax is payable for a child over 18 unless they qualify as a financial dependant or interdependent. If evidence proving financial dependency is not provided at the time of claiming, tax will be deducted where a payment decision is made.

How long does the process take?

This depends on how long it takes all claimants to return their documents, the process and assessment time and if anyone objects to the way the Trustee proposes to pay the benefit.

We're here to help

If you have any queries or need assistance with the claim process please get in touch between **8.30am** and **5.30pm** (Melbourne time) Monday to Friday.

📞 **1300 033 166** ✉ tsclaims@telstrasuper.com.au

Steps in the claim process

1 Call us

📞 **1300 033 166**
✉️ **tsclaims@telstrasuper.com.au**

If you're not sure if you are eligible to apply, call us and we will help you.

Have the following information:

- ✔️ TelstraSuper member number of the deceased
- ✔️ The member's date of birth
- ✔️ The member's date of death
- ✔️ Name & contact details of dependants

2 Checklist

Your case manager will ask you initial questions and issue you claims forms to complete and return together with the other documents listed.

For information on how to get documents certified go to **telstrasuper.com.au/proofofid**

Please provide the following documents:

- ✔️ A certified copy of the final Death Certificate
- ✔️ A certified copy of the Will
- ✔️ A certified copy of the deceased member's Birth Certificate or other proof of identity
- ✔️ A certified copy of the Marriage certificate or Divorce certificate (if applicable)
- ✔️ Completed Dependants Notification form.

3 Claim Assessment

A TelstraSuper case manager will assess and manage your claim. If the deceased member had death insurance we'll submit the claim to our insurer for assessment.

4 Review & Outcome

We'll review all the information received from each claimant and make a decision on who is eligible to receive a payment in accordance with superannuation legislation and the information provided. The decision will be sent to all claimants. If a claimant objects to the TelstraSuper Trustee's decision, they have 28 days to lodge their objection to TelstraSuper or you can raise a complaint by contacting us. Please refer to <https://www.telstrasuper.com.au/contact-us/complaints-handling> for more information and contact details. We will review any objections but if the beneficiary(ies) are still not satisfied with the final decision they may lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is an independent body set up by the government to assist in the resolution of certain complaints in relation to superannuation.

5 Payment

Payment will be made after TelstraSuper receives payment instructions from all from all potential beneficiaries. You can speak to an adviser from TelstraSuper Financial Planning on **1300 033 166** to discuss your options.

Note: the death benefit may be paid to the Australian Taxation Office as Unclaimed monies if we do not receive payment instructions.

We recommend you read our **Frequently Asked Questions** available on our website.

We're here to help

We appreciate that this may be an emotional time so we're here to help. If you have any queries or need assistance with the claim process please get in touch between **8.30am** and **5.30pm** (Melbourne time) Monday to Friday. 📞 **1300 033 166** ✉️ **tsclaims@telstrasuper.com.au**



Call us
1300 033 166



Email us
tsclaims@telstrasuper.com.au



Visit the website
telstrasuper.com.au