

Over-55s urged to look at new super options

TRACIE McPHERSON

FINANCIAL planners are urging older workers to make the most of the government's new Transition to Retirement (T2R) rules.

According to Theo Marinis of Adelaide's Financial Strategies, Transition to Retirement is a golden opportunity for older workers, and one which financial planners have a responsibility to explore with their older working clients.

"This is the simplest yet most profound super rule change of a generation," Mr Marinis said.

According to Mr Marinis, Transition to Retirement rules - which give workers aged 55 or over significant

tax reductions - will reverse the trend of the last half-century, which saw Australians retiring at 55 and investing their superannuation tax-free in allocated pensions and then 'double dipping' by claiming Centrelink benefits.

Transition to Retirement allows older workers to draw down on their superannuation while reducing their working hours, but also to continue to contribute to their savings while paying just 15 per cent tax on those contributions.

"Transition to Retirement is the real super choice, as it gives those aged 55 and over unparalleled flexibility to arrange their lives as they choose," Mr Marinis said.

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