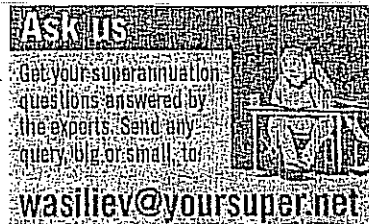


YOUR QUESTIONS JOHN WASILIEV

Changes to life interest arrangements tricky



Pension payments cannot be assigned to someone else while the original beneficiary is still alive.

Can a trustee assign his or her future pension benefit to another trustee or another person outside a super fund?

Pension payments cannot be assigned to another person while the original pension beneficiary is alive, says Ben Smythe, a director with super administrator Heffron.

Of course, what the person does with their pension payments when they receive them is up to them.

When the original pension beneficiary dies, the payments can continue to a reversionary beneficiary, someone who is nominated by the original beneficiary to continue to receive their ongoing pension payments.

I want to start a transition to retirement pension. I'm still working and contributing to super. How will my fund expenses be divided between my two accounts?

Your fund's expenses will be divided proportionately between the pension and accumulation accounts depending on how much money is in each account.

Only the accumulation account will be effective because it will have taxable income against which expenses can be offset. Unfortunately you can't nominate that all of the fund's expense be debited from the accumulation account.

I'm 69 and because of my health – I'm blind in one eye – I can't work for the required 40 hours over 30 days to make contributions to super. Could I apply for any dispensation from the Australian Taxation Office? Unfortunately, having a disability will not entitle you to any special treatment as far as making contributions to super goes.