

## Issues to Consider on Retirement

There are two main types of retirement, General retirement (separation) or Medical retirement. As this is an important time in your life there are some critical issues you need to consider. Some issues will only relate to medical retirement and these will be listed later. Following are issues that need to be addressed by all retirees.

### General Retirement Issues

Issues regarding your retirement are not discussed or sent to you. You will need to seek support and assistance usually through your Staff Support Officer or the Federation Welfare Officer.

#### Financial Planning

- Financial planning is your responsibility. Make sure you have discussed your financial situation with a reliable planner well in advanced of retirement (as soon as possible in medical retirement cases). Bridges Financial Planning services usually offer a free consultation to Teacher Credit Union members. Teachers belonging to State Super are entitled to free advice from State Super Financial Services.
- Financial Considerations:
  - You will need to decide on a pension or a lump sum.
  - You will not receive any payment from the Superannuation Board for at least 6 to 8 weeks after your last day of service. Make sure you have finances to survive on, to pay loans/bills and live on, until this money arrives.
  - You may receive a lump sum on your retirement from DET (eg long service leave, vacation pay etc). Check with Employee Services (1300 338 001 or 1300 338 002) to see how much and when you will receive this payment.
  - Consult with your tax agent on advice when is the best time for you to retire (not as easy with medical retirement) as this may affect your next tax return. In some cases if you retire near the end of a financial year you may receive a large tax bill. (due to tax scales)
  - The day you retire, your pay from DET ceases. So do all your payroll deductions, eg Health Society, loan repayments, Stewart House, Teachers Federation etc. You will personally need to make contact with these organisations to make other arrangements or you will be in arrears.
  - If you previously had all of your pay deposited into the Teachers Credit Union or bank, this will cease on retirement. Your new income (super) can also be deposited directly into the credit union. However, you will have to inform them in writing on how this is to be distributed to your various accounts and/or loans. This will be the same if you are using another financial institution for your banking.

- Your Basic Benefit from the Superannuation Board may be taxable. You need to consult your tax agent to determine if you will need to pay tax for this on your next tax return.
- If you are over 60 on retirement, you will not be required to pay tax on your super (lump sum or pension). Therefore, you may not be required to submit a tax return at the end of the financial year. Consult with your tax agent as this would mean you would not be able to claim any tax deductions eg 30% tax rebate on Health Insurance contributions.
- Consult the Health Society re your contributions. This can be deducted automatically from your super payments (you will need to arrange this with the super board). If you are not putting in a tax return at the end of the financial year then it is advisable to claim your 30% rebate from your regular contributions. (Notify Health Society).
- If considering casual teaching employment with DET, you will have to apply for a casual employment number.
- If working after retirement, consider depositing your income into your superannuation fund to reduce your tax. Consult your financial advisor or tax consultant.

### **Welfare Considerations**

- Make sure you have planned activities that will keep you busy. Hopefully retirement is for a long time and can become a little boring if not planned for properly.
- Seek support in completing your Superannuation Board forms. The Board has an advice line (1800 451 112 or 9238 5555) which is usually very helpful. If not talk to your Federation Welfare support person.
- For further advice on retirement procedures consult the Teachers Handbook available on the DET Intranet (General Retirement section 11.1 and Medical Retirement section 11.2)

### **Other Considerations**

- If you wish to join the Teachers Federation Retired Teachers Association, you are required to do this within the first twelve months of your retirement.
- Seek your DET service/retirement medal through your last Principal.
- Your DET email address will be closed on your retirement. Make sure you have another email address and inform relevant people and organisations well in advanced. If not you will not be able to access your email.
- Consider keeping in touch with your colleagues by joining the Retired Deputy Principal's Association. Details on the Deputy Principal's website – [www.nswdpa.asn.au](http://www.nswdpa.asn.au)

## Medical Retirement

- Consult the following people for advice and support:
  - The Staff Support Officer
  - The Teachers Federation Welfare Officer
  - Your Doctor
  - EAPS
  - A colleague
  - Your Principal
  - Your Association Welfare Officer (if available)
- This can be an emotional time. Make sure you have plenty of support and advice.
- Consult the Teachers Handbook on Medical Retirement (available on the Intranet). Relevant section is 11.2. Also request the Teachers Federation pamphlet on medical retirement.
- As each medical retirement is slightly different, make sure you are aware of the following:
  - Does your doctor support your application?
  - Does your Principal support your application?
  - When is your Health Quest appointment? You may find it helpful to take a support person with you to the appointment.
  - What happens after the Health Quest Interview? Note that your Regional Director is the person who makes the decision if you are to be medically retired.
  - Do you need to go back to school after the Health Quest appointment? Consult with your Staff Support Officer. Health Quest can only advise DET, they do not decide if you are to be medically retired.
  - If you are medically retired as a teacher you are ineligible to do casual teaching for DET. You have to have Health Quest declare you are now fit enough before you can teach.
  - Financially if you would benefit from a later retirement date, you can use your long service leave to put this date back.

In conclusion, as you can see, retirement involves many issues. It is advisable to plan and consult well in advance, if possible. Use all the resources available to you and don't be frightened to ask questions.