

## Superannuation and Retirement Planning (SRP)

### Overview

The Superannuation and Retirement Planning subject is designed to provide a comprehensive understanding of superannuation and the Australian social security system.

### Learning Outcomes

#### Module 1: Demographics and Retirement Planning

On successful completion of this module, you should be able to:

- Explain the demographic trends in Australia, in particular the trend of Australians spending a significantly longer amount of time in retirement
- Describe the impact of the population trends on Australia's social security system
- Describe the history of Australia's superannuation system
- Explain how Australia's superannuation guarantee system operates
- Recall the circumstances when the Superannuation Guarantee is payable and what penalties are charged in the event of late payment
- Define superannuation as it relates to Australian investors
- Describe the difference between superannuation and non-superannuation investments

#### Module 2: Superannuation Legislation and Regulations

On successful completion of this module, you should be able to:

- Define what is meant by superannuation
- Explain what is meant by a complying fund
- Describe the investment restrictions placed upon trustees of superannuation funds
- Describe the reporting requirements of superannuation funds
- Explain the responsibilities and duties of trustees
- List the benefits which are available from a superannuation fund

#### Module 3: Fund Design and Tax Aspects

On successful completion of this module, you should be able to:

- Describe the various types of superannuation entities and how they operate
- Distinguish between a defined benefit superannuation plan and a defined Contribution (accumulation) plan
- Explain the preservation requirements of superannuation benefits
- Describe the conditions of release of superannuation benefits under the Superannuation Industry Supervision Act (SIS)
- Outline the rules governing contributions
- Explain how superannuation entities are taxed

#### Module 4: Termination Payments & Retirement Income Streams

On successful completion of this module, you should be able to:

- Describe the taxation treatment of employment termination payments made by employers
- Define what is meant by a superannuation lump sum payment - previously known as an eligible termination payment (ETP)
- Outline the different components of a superannuation lump sum or superannuation rollover and their applicable taxation treatment
- Explain the different types of income streams
- Describe the various options available to income streams
- Explain how allocated annuities and pensions operate

- Explain how term allocated pensions operate
- Analyse the features of a complying income stream
- Describe the rules relating to income streams on death
- Explain the taxation treatment of income streams; and
- Evaluate the tax implications of commuting an income stream

## **Module 5: Social Security**

On successful completion of this module, you should be able to:

- List the types of benefits that are available under the Social Security system
- Explain the income and asset tests and how they operate
- Evaluate how various investments are assessed for Social Security purposes
- Describe the taxation treatment of Social Security benefits
- Identify the fringe benefits available through the Social Security system
- Explain how the waiting period system operates
- Describe how the Department of Veteran Affairs assessment criteria operates and how the Department interacts with the Social Security system

## **Module 6: Strategic Retirement Planning**

On successful completion of this module, you should be able to:

- Explain the social, physical and emotional issues which need to be considered by an individual preparing for retirement
- Describe the steps involved in planning financially for retirement
- Describe retirement income needs for individuals and calculate what contributions are required to meet these needs
- List some common psychological effects on a retiree at retirement
- Develop and implement retirement planning strategies
- Calculate how much capital is required at retirement to meet a client's retirement goals
- Define appropriate pre and post-retirement strategies to meet client goals
- List factors which can affect funds available at retirement
- Outline the issues which may be faced by people moving in to retirement
- Identify approaches to manage challenges faced by clients planning for retirement