

When can I retire?

By Perpetual Asset Management

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We all have our own views about when we'd like to retire. That means we all have different needs from our retirement planning.

We recently surveyed our members about their expected retirement age. Those who were a fair way from retirement expected to retire at the conventional age of 65.

But members nearing the end of their careers had a wider variety of aspirations.

Some aimed to retire at 60, eager to access their super and enjoy the fruits of their labour. Others preferred to wait until 67, when they might be eligible for the age pension.

We understand that many of our members want to retire with a combination of superannuation and the age pension to meet their income needs.

When can I access my Super?

Your superannuation is accessible once you turn 65 (even if you haven't retired), though there are circumstances where you can access it sooner.

If you reach your preservation age and retire — or you're over 60 and change jobs or temporarily stop working — you may be eligible to access your super.

The preservation age differs depending on when you were born, ranging from 55 to 60.

Date of birth	Preservation age
Before 1 July 1960	55
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
After 30 June 1964	60

When can I access the age pension?

To be eligible for the age pension, you need to meet certain criteria, including age, residency status, income and assets.

Age

The qualifying age for the age pension ranges from 65.5 to 67, depending on when you were born.

Date of birth	Qualifying age
From 1 July 1952 to 31 December 1953	65.5
From 1 January 1954 to 30 June 1955	66
From 1 July 1955 to 31 December 1956	66.5
On, or after 1 January 1957	67

Residency status

Generally, Australian residents who have lived in Australia for at least 10 years — with at least five of those years consecutively — have met the residency requirements for the age pension.

Income test

The age pension income test assesses all income sources, including employment and investment income.

When it comes to investment income (such as bank accounts, shares, managed funds, and superannuation), the government looks at the income you're deemed to have earned on your assets, rather than the actual income your investments have generated.

From July 1, 2023, the income threshold for the age pension is \$190 per fortnight for singles and \$336 per fortnight for couples.

If your income from all sources is below the threshold, you may be eligible for the full pension. But if your income is above the threshold, your age pension will generally be reduced by 50 cents for every dollar of income earned over the threshold.

Assets test

The age pension asset test is a means-tested assessment of your assets, including financial investments, real estate (other than your principal home and up to the first 2 hectares of land surrounding it), home contents and cars.

The asset thresholds for the full pension are shown in the table below for homeowners and non-homeowners.

If your asset value exceeds these thresholds, your age pension amount will reduce by \$3 per fortnight for every \$1,000 above the limit.

Your situation	Homeowner	Non-homeowner
Single	\$280,000	\$504,500
A couple, combined	\$419,000	\$643,500
A couple, separated due to illness, combined	\$419,000	\$643,500
A couple, one partner eligible, combined	\$419,000	\$643,500

Income and asset tests are both applied when determining your eligibility. Whichever results in the lowest payment will determine your age pension payment.

How do you know when you can retire?

The short answer is that it's up to you, subject to health, wealth and circumstance.

One factor to consider is when you'll be eligible to access various sources of retirement income such as your super savings and the age pension.

Many of our members say they plan to continue working because they enjoy what they do and are worried they would be bored without work.

Further information

For further information please speak to your financial adviser or call us on 1800 022 033 during business hours (Sydney time).

As a general starting point, you can use the [Money Smart calculator](#) to work out:

- How long your account-based pension will last
- How investment returns will affect your pension balance

Read more retirement articles [here](#).

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