

# Transition to Retirement



Are you looking for an opportunity to boost your super ready for retirement?

Are you looking to work less hours and ease into retirement?

If you have answered yes to either of these questions speak to your adviser today about 'Transition to Retirement' strategies.

## **What is 'Transition to Retirement' (TTR)?**

Transition to retirement strategies are tailored to suit your circumstances. They take advantage of superannuation rules that allow you to roll some or all of your superannuation monies into a non-commutable allocated pension. This provides a regular tax effective income, that you combine with your take home pay.

With your advisor you may be able to design a strategy that will enable you to manage your 'Transition to Retirement' with greater levels of flexibility and tax effectiveness.

## **Who can use a 'Transition to Retirement' Strategy?**

If you are 55 and over and still employed you may be eligible.

## **Is TTR right for everyone?**

Speak to your adviser today and see if it is for you.

# Transition to Retirement

## Case study – “Boost your Superannuation”

Anthony is 60, works full time and earns \$100,000 a year. With no TTR strategy in place he pays \$27,500 in tax, leaving him \$72,500 disposable income.

If he adopts a TTR Strategy and salary sacrifices \$50,000 into superannuation, he reduces income tax payable to \$9,750. To maintain the same income as before (\$72,500), Anthony starts a TTR pension and draws a pension of \$32,500.

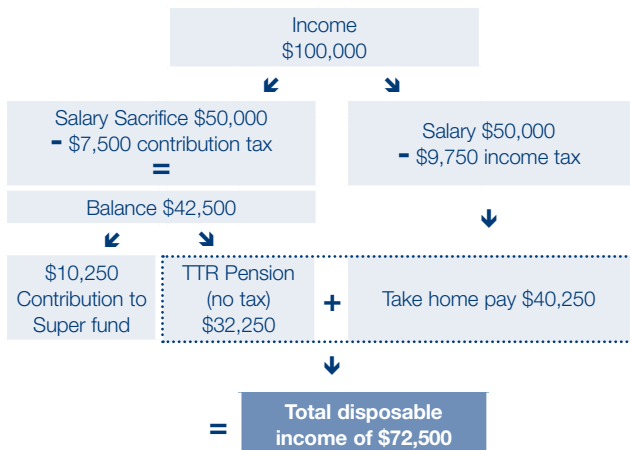
As Anthony is 60 his pension is tax free.

His superannuation contribution is taxed at 15%, but after-tax he still has an extra \$10,250 in his superannuation account.

### No Transition to Retirement Strategy



### Transition to Retirement Strategy



Note: This is a general example and is not specific to your personal situation. The figures in this example are based on the income tax rates that apply in the 2008 / 2009 financial year and include applicable Medicare levy. The 9% superannuation has not been taken in to account in this example.

**Speak to your Capstone Adviser to see if a “Transition to Retirement” strategy would be right for your financial situation. Contact the adviser below, or call us on 1300 306 900, or visit our website [www.capstonefp.com.au](http://www.capstonefp.com.au)**



PERSONAL FINANCIAL ADVICE



Capstone Financial Planning Pty Ltd ABN 24093 733 969 AFSL 223135. This information is general information only and is not intended to be a recommendation. We strongly recommend you seek advice from your financial planner as to whether this information is appropriate to your needs, financial situation and investment objectives.