

How to transfer your UK pension benefit

Information guide

Issued by Host-Plus Pty Limited
ABN 79 008 634 704



Important information

Issued by Host-Plus Pty Limited (trustee) ABN 79 008 634 704,
Australian Financial Services Licence No. 244392,
Registrable Superannuation Entity Licence No. L0000093,
RSE No. 1000054.

The information contained in this document is general information only. This document does not and is not intended to contain any recommendations, statements of opinion or advice. In any event, the information in this document is general in nature and does not consider any one or more of your objectives, financial situation or needs. Before acting on this information, you should consider obtaining advice from a licensed, financial product adviser and consider the appropriateness of this information, having regard to your particular investment needs, objectives and financial situation.

HOSTPLUS Executive forms part of the **HOSTPLUS** Superannuation Fund. This guide was prepared by Host-Plus Pty Ltd as trustee for the fund and is dated 6 April 2012. In this guide, 'the Fund' refers to **HOSTPLUS** Executive.



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Transferring your UK pension benefit

Why use a Qualifying Recognised Overseas Pension Scheme (QROPS)?

You can transfer your United Kingdom (UK) pension benefit to a complying fund outside of the UK without incurring UK tax charges of up to 55%. To do this you must transfer your benefits to a 'Qualifying Recognised Overseas Pension Scheme' (QROPS). **HOSTPLUS Executive** which forms part of the **HOSTPLUS Superannuation Fund** (the Fund), is a registered QROPS and therefore any UK transfer to **HOSTPLUS Executive**, will not in general incur UK tax charges.

By contrast, if you transfer your UK pension benefit to a complying fund that is not a QROPS, it will be referred to as an 'unauthorised payment' by Her Majesty's Revenue and Customs (HMRC) and may be subject to:

- an unauthorised payment charge (currently UK tax of 40%)¹ on the amount being transferred, and
- an unauthorised payment surcharge (currently 15%¹) if the transfer plus the value of other unauthorised member payments exceed 25% of the balance of your UK pension, within a 12 month period.

Paying tax on your transfer

The tax you pay when transferring a UK pension benefit depends on when you became an Australian resident and whether you elect to have **HOSTPLUS Executive** pay tax on the transfer. To determine the taxable (growth) component of your UK pension benefit, subtract your UK pension account balance on the day you became an Australian resident from the total amount transferred.

The Australian tax treatment of a UK transfer is shown in the table below.

Please note: you may only submit a 'Choice to have your Australian fund pay tax on a foreign super transfer' Australian Taxation Office (ATO) form if you are a current Australian resident for tax purposes. If you are not an Australian resident for tax purposes then this form is not relevant to you.

You should seek tax advice from relevant UK and Australian experts to outline the potential tax consequences before making a transfer of your UK pension benefit.

The Australian tax treatment of UK transfers

How long after becoming an Australian resident for tax purposes did you transfer your UK pension benefit?	Have you submitted the 'Choice to have your Australian fund pay tax on a foreign super transfer' ATO form?	What is the applicable tax treatment of the taxable (growth) component?
Within six months	Not required	You'll receive the same tax treatment as the original UK transfer amounts and therefore are exempt from tax. The original UK transfer amount and the 'growth' component will both count towards your non-concessional contribution (NCC) cap.
After six months	No	The taxable component is included as assessable income in your Australian tax return for the relevant year of income. It will be taxed at your marginal tax rate (plus Medicare levy).
	Yes	By completing the ATO form - Choice to have your Australian fund pay tax on a foreign super transfer, you elect to have the 'growth' component treated as a taxable contribution to HOSTPLUS Executive . Consequently, it will be subject to 15% contributions tax, which will be deducted from your account and paid to ATO.

¹ The tax rates are current as at the preparation date of this guide. The UK tax rates may change in accordance with changes to the UK Finance Act (2004).

Transferring your UK pension benefit

UK Pension Scheme laws

The fund is required to report to HMRC on any payment² (except tax paid to the ATO) made from your account for a ten year period commencing from the day after the transfer payment 'created' or was added to your Australian superannuation account.

HOSTPLUS must notify HMRC within 60 days of releasing any benefit payments to you (including transfers to another superannuation fund) and you will be notified by HMRC should any UK tax be payable in relation to payments made from your account.

When do the HMRC payment provisions apply to a payment made from your account?

- You are a resident in the UK when the payment is made (or treated as made), or
- although not a resident of the UK at the time of payment, have been resident in the UK earlier in the tax year the payment is made or in any of the five tax years immediately preceding that tax year.

As the requirement of HOSTPLUS is to report any benefit payments for the period of 10 years, it is up to HMRC to classify whether a payment is deemed to be unauthorised and as such, details of all payments made within this period will be provided to HMRC.

Transferring between funds

You can request to transfer to another complying superannuation fund at anytime.

If the fund is a QROPS there will generally be no UK tax payable on the transfer. However, your UK pension benefit will continue to be subject to UK pension scheme law.

Alternatively, transferring to a complying fund that's not a QROPS will be referred to as an 'unauthorised payment' and may be subject to UK tax charges.

You and your financial and/or tax adviser will be responsible for deciding whether you transfer to a QROPS fund or not.

Cancellation of QROPS status

If the Fund's QROPS status is cancelled in the future, any UK pension benefit transferred prior to that date will not be penalised. However, it may still be subject to UK pension scheme law.

In the event that a payment is made from an account containing a UK pension benefit, the transfer will be subject to UK pension scheme law if you were a UK resident in either that year, or in any of the five previous UK financial years.

Any transfers received after becoming a non-qualifying fund would be deemed as an 'unauthorised payment' and would be charged up to 55% penalty tax by HMRC.

² Payments include but are not limited to, withdrawals you request from your account.

Australian superannuation rules on contributions and release of benefits

Any UK pension benefit transferred to HOSTPLUS Executive will be subject to Australian superannuation rules, and will be treated as a non-concessional contribution.

The non-concessional contribution (NCC) limits are outlined below:

Age on first day of the financial year	NCC limit 2010/2011
Less than 65	\$150,000 annually or \$450,000 over a three year period.
Between 65 and 74	\$150,000 annually.
75 and over	Non-concessional contributions cannot be made.

Want more information?

For information on the rules for contributions and release of benefits, refer to hostplusexecutive.com.au

Exceeding your non-concessional (NCC) limit

If the non-concessional component of your UK pension transfer exceeds your NCC limit, we're required by law to generally reject the total amount and return it to your UK pension fund.

If the amount of your UK pension transfer results in your account exceeding the NCC limit, additional tax of 46.5% (including Medicare levy) applies to the excess amount.

We recommend you speak with your financial and/or tax adviser for more information.

Members who are not Australian residents for tax purposes

As the taxation treatment of superannuation is complex for members who are not Australian residents for tax purposes, we recommend you speak with your financial adviser, tax adviser or the Australian Tax Office (ATO) for more information.

The Trustee takes no responsibility for any UK tax implications in transferring a UK pension benefit to HOSTPLUS Executive. We recommend seeking further advice regarding UK Pension Scheme and Residency Laws before making a transfer of your UK pension benefit.

How to transfer your benefit

Step-by-step UK transfer guide

Please follow the steps below when transferring your UK pension benefit directly from a UK pension scheme.

Please note: If you're transferring from another Australian super fund to HOSTPLUS Executive and your rollover includes proceeds from a UK pension benefit, we require a completed UK transfer request form. If you don't already have an account with us, you are also required to complete the relevant application form.

✔ Step 1

Before proceeding with a request to transfer your UK pension benefit, read this guide and seek financial and/or taxation advice.

✔ Step 2

You or your financial and/or tax adviser need to contact the UK pension scheme to confirm whether your UK pension benefit can be transferred. If your benefit can be transferred, request the UK pension scheme to send you the paperwork required to initiate the transfer of your UK pension benefit.

✔ Step 3

To accept the transfer of your UK pension benefit, HOSTPLUS Executive requires:

- a member application form, if you don't already have an account with HOSTPLUS Executive. Please note, a membership application form is available in our HOSTPLUS Executive Member Guide which can be downloaded from our website hostplusexecutive.com.au or call us on **1300 799 998** to obtain a printed copy, and
- a UK transfer request form (refer to page 13). These must be provided before requesting the UK pension scheme to transfer your UK pension benefit to us.

This will assist HOSTPLUS to identify QROPS money received from your UK pension transfer.

Post your UK transfer form and/or membership application to:

Locked Bag 14
Carlton South VIC 3053
Australia

✔ Step 4

Send the UK pension scheme the following documents:

- any forms required by the UK pension scheme to initiate the transfer of your UK pension benefit
- the Fund's 'QROPS Confirmation letter for the UK pension scheme' (refer to page 11), and
- the Fund's 'HMRC approval letter' (refer to page 9).

Please note: Where a UK pension scheme requests that the Fund complete their paperwork, it will only be completed by the Fund where it doesn't require us to confirm/attest to matters relating to UK pension scheme law.

✔ Step 5

We will inform you once we receive a cheque from your UK pension scheme.

Please note: We'll accept UK cheques made out in Pound Sterling (GBP) or in Australian dollars (AUD) (preference for cheques made in AUD). If a UK cheque is received, the processing time will be slightly longer as the Fund needs to obtain the exchange rate to convert the money into AUD. Please note, bank charges may apply.

If your transfer payment, is received in GBP, there will be a four to six week delay in processing while HOSTPLUS Executive waits for the cheque to clear and convert to Australian dollars. In addition, please keep in mind that bank charges may apply.

✔ Step 6

If applicable, you need to complete and return a 'Choice to have your Australian fund pay tax on a foreign super transfer' ATO form (refer to page 4 for more information) to the Fund.

Please note: You must provide the Australian Dollar (AUD) conversion rate of the UK transfer on the ATO form to be eligible to have part of the payment treated as a taxable contribution.

Once the money is applied to your account, we can accept the completed ATO form to amend your contribution details up until 30 September in the year of the transfer. After 30 September, no amendments to your contribution details can be made.

✔ Step 7

We will apply the money to your account and will send you a letter confirming the details of the transfer.

✔ Step 8

If you require further assistance please call us on **1300 799 998**.

Your UK transfer checklist

- I have consulted my financial/tax adviser to determine whether the transfer of my UK pension benefit is appropriate.
- I have completed the **UK transfer request form** and have sent it to **HOSTPLUS Executive**.
- I have submitted a member application form to **HOSTPLUS Executive** (only required if requesting a new account to be opened).
- I have requested the transfer of my UK pension benefit from the UK pension scheme and supplied them with the Fund's 'HMRC approval letter' and 'QROPS confirmation letter.'
- I have confirmed **HOSTPLUS Executive** has received the cheque from the UK pension scheme.
- I have confirmed the Australian dollar value of my UK transfer with **HOSTPLUS Executive** and have completed the details on the 'Choice to have your Australian fund pay tax on a foreign super transfer' ATO form. I have submitted this form to **HOSTPLUS Executive** (only required if electing to have **HOSTPLUS Executive** pay tax on the taxable portion of the UK transfer. You can only submit this form if you are a current Australian resident for tax purposes). More information on completing ATO forms is available at ato.gov.au



**HM Revenue
& Customs**

Pension Schemes Services
FitzRoy House
Castle-Meadow Road
Nottingham
NG2 1BD

Ann Wong
Hostplus Pty Ltd
Level 9, 114 William Street
Melbourne, Victoria
3000
Australia

Tel (+44) 0115 974 1600
Monday to Friday 9:00 to 17:00

Fax (+44) 0115 974 1480

Date 29 September 2010
Our Ref QROPS 503479
Your Ref

www.hmrc.gov.uk

Dear Ann

Pension Scheme Name Hostplus Superannuation Fund

Thank you for your notification that the pension scheme above is a recognised overseas pension scheme and for your undertakings.

I am pleased to accept that the scheme is a qualifying recognised overseas pension scheme for UK purposes with effect from 29 September 2010. You must notify Pension Schemes Services immediately if the scheme ceases to be a recognised overseas pension scheme

The reference number for the scheme is QROPS 503479. Please quote this number in any correspondence with HM Revenue and Customs.

Yours sincerely

Mick Salter

PSS 256

Information is available in large print, audio tape and Braille formats.
Type Talk service prefix number – 18001





To whom it may concern:

Dear Sir/Madam,

QROPS confirmation for UK pension scheme.

Your member has requested to transfer benefits from your UK pension scheme to **HOSTPLUS Executive** which forms part of the **HOSTPLUS Superannuation Fund** (the 'Fund'). This is a fully regulated and complying Australian superannuation fund.

The Fund is a superannuation fund regulated under Australian law (primarily the Superannuation Industry (Supervision) Act 1993). **HOSTPLUS Pty Limited** ('the Trustee') is a licensed superannuation trustee. The Trustee's details are as follows:

HOSTPLUS Pty Limited
ABN 79 008 634 704
AFSL 244392
RSE Licence L0000093

The **HOSTPLUS Superannuation Fund**
ABN 68 657 495 890
RSE R1000054

The Trustee wishes to advise the Fund is a **Qualifying Recognised Overseas Pension Scheme ('QROPS')** according to UK pension scheme laws (Finance Act 2004). Our **QROPS reference number** is as follows:

The **HOSTPLUS Superannuation Fund - QROPS 503479**

The transfer of benefits from a UK pension scheme are subject to the terms of the Fund's Trust Deed and compliance with Australian law. Providing all the Trust Deed terms and conditions and applicable laws are met, the Fund can accept the transfer value in full.



The Fund is regulated under Australian superannuation laws and benefits may only be accessed where the member meets a necessary condition of release or as a result of a Family Law agreement or court order. To satisfy a condition of release, a member must meet one of the following criteria:

- have reached age 65
- have reached 'preservation age' (at least 55 years old) and is permanently retired
- have reached 'preservation age' and is starting a transition to retirement pension
- has been granted access due to financial hardship
- has been granted access on compassionate grounds, approved by APRA
- has a permanent disability (as set out in law)
- has a terminal medical condition (as set out in law)
- has terminated employment after age 60, or
- has terminated employment at any age with restricted non-preserved benefits in the account and their employer has contributed to their account.

For Family Law agreements or court orders, access to a member's benefits may be obtained by the spouse of the member upon the breakdown of their relationship through the superannuation splitting provisions of the Australian Family Law Act.

In addition, the value and liquidity of a member's benefit will fluctuate and will be determined by the value and liquidity of the underlying assets held within the member's account. The Fund does not contain any conditions under which benefits may be forfeited or withheld.

We recommend you read the relevant Product Disclosure Statement. To obtain a copy visit hostplusexecutive.com.au

How do you transfer member benefits to us?

UK pension benefits can be transferred to **HOSTPLUS** by sending a cheque made payable to:

HOSTPLUS Superannuation Fund (please remember to include your name and member number).

Any questions?

If you have any questions about **QROPS** or your pension benefit please contact us on +61 (3) 8636 7777 Monday to Friday between 8am - 8pm (AEST/AEDT). Alternatively you can send an email to info@mail.hostplusexecutive.com.au

Yours sincerely,



Chief Executive Officer
HOSTPLUS Pty Limited
Trustee

hostplusexecutive.com.au

Postal address

Locked Bag 969
Carlton South VIC 3053

VIC

Level 2, Casselden Place
2 Lonsdale Street
Melbourne VIC 3000

NSW

Level 5, Sydney Central
477 Pitt Street
Sydney NSW 2000

QLD

Level 11
120 Edward Street
Brisbane QLD 4000

SA/NT

Level 2
104 Frome Street
Adelaide SA 5000

TAS

Level 2
119 Macquarie Street
Hobart TAS 7000

WA

Level 2
12 St. Georges Terrace
Perth WA 6000

ACT

Unit 6, Ground Floor
33 Allara Street
Canberra ACT 2601

Phone 1300 799 998, 8am–8pm, Monday to Friday

Fax 1300 366 991

Email info@mail.hostplusexecutive.com.au

This document does not and is not intended to contain any recommendations, statements of opinion or advice. The information is general in nature and does not consider any one or more of your objectives, financial situation or needs. Before acting, you should consider obtaining advice from a licensed adviser and consider the appropriateness of this information, having regard to your particular investment needs, objectives and financial situation. You should read a copy of the **HOSTPLUS** Executive Product Disclosure Statement before making any decision about whether to acquire an interest in **HOSTPLUS** Executive.

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When to use this form

Complete this form if you are transferring a UK pension benefit directly from a UK pension scheme or if your rollover contains the proceeds of a UK pension benefit transfer.

OFFICE USE ONLY

[Empty box for office use only]

Step 1. Existing in-force account

Do you have an existing HOSTPLUS Executive account?

*Mandatory fields

Yes - Go to Step 2 No - Go to Step 3 to provide your member details and make sure to also complete a membership application form (download via hostplusexecutive.com.au or call us for a copy).

Step 2. Existing account number

Provide your existing account number*

HOSTPLUS Executive account number

[12 digit account number input boxes]

Step 3. Member details

Mr Mrs Ms Miss or [Other] Other

Full given name*

[24 digit name input boxes]

Surname*

[24 digit surname input boxes]

Date of birth*

DD / MM / YY

Gender*

Male Female

Address*

[Address input boxes with Suburb, State, Postcode labels]

Step 4. UK pension scheme details

Name of UK pension scheme*

[Name of pension scheme input boxes]

Address*

[Address input boxes with Suburb, State, Postcode labels]

Contact person (if known)

[Contact person input boxes]

If the UK transfer is from more than one pension scheme, please attach the details of the additional scheme(s) on the back of this declaration.

Approximate amount of UK pension scheme transfer (if known) in Australian dollars (AUD).

UK pension number

\$ [Amount input box]

[UK pension number input boxes]

Step 5. Status

Date of becoming a non-UK resident*

DD / MM / YY

I confirm that on this date I became a non-UK resident for tax purposes and have remained a non-UK resident since this date. If in the future, should I become a UK resident again, I will notify the Trustee immediately of the date that I became a UK resident.

Country you are a resident of for tax purposes at the time of completing this form.*

[Country of residence input box]

Step 6. Declaration

The Trustee of the HOSTPLUS Superannuation Fund needs to confirm the following points:

- I have read and understood the information guide
- I consent to the use and disclosure of my personal information to Her Majesty's Revenue and Customs for reporting purposes where I have transferred a UK pension to HOSTPLUS Superannuation Fund or Personal Super Plan.
- I am aware of the tax implications surrounding UK pension transfers
- My UK pension transfer benefit is not an unsecured pension benefit or an alternatively secured pension benefit
- My UK pension transfer does not include any unvested benefits
- I acknowledge that the information provided in this information guide is of a general nature only and that I should see financial and/or taxation advice.

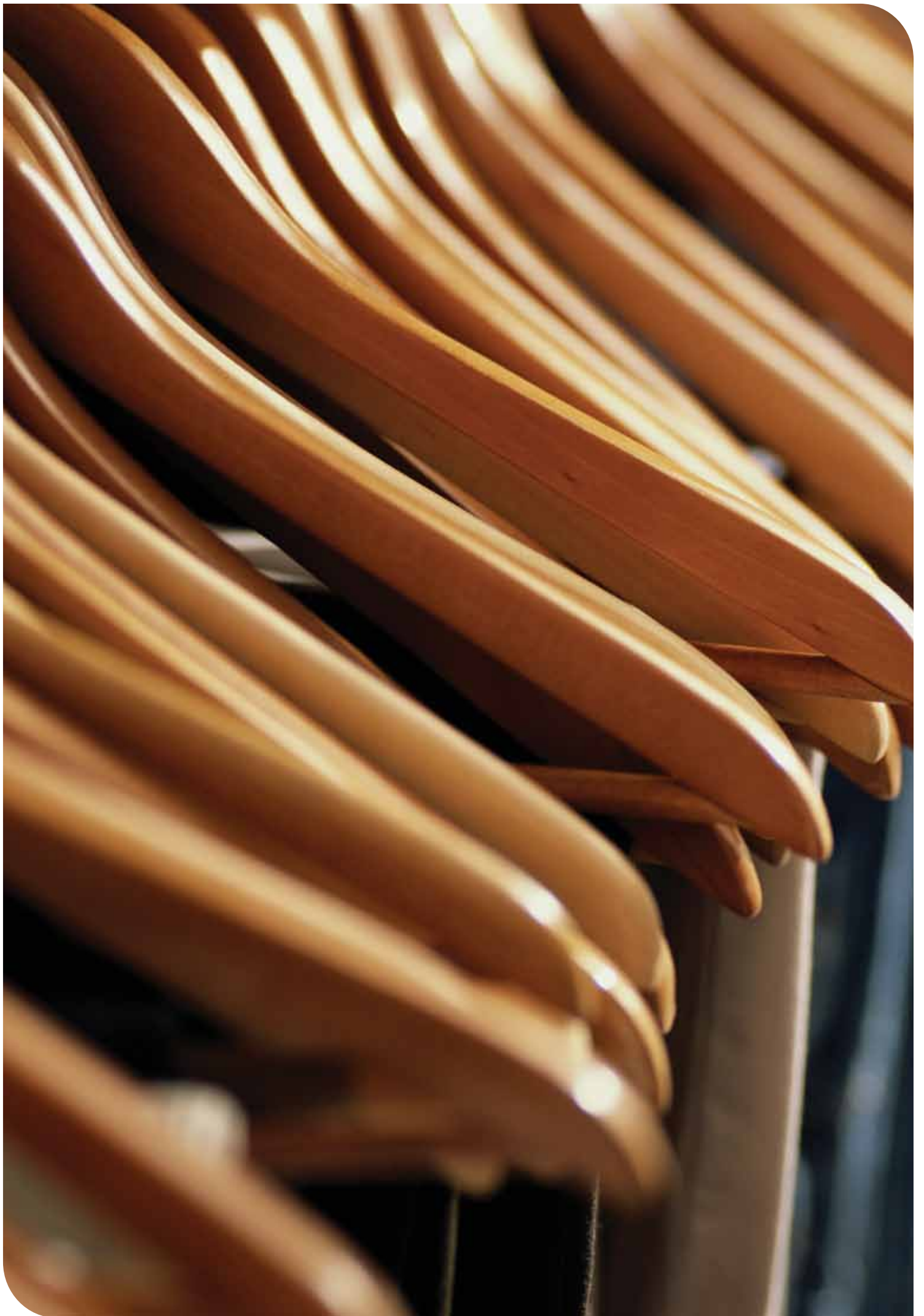
Signature of applicant*

Date*

When you have completed this form please send it to:

HOSTPLUS Executive
Locked Bag 14
Carlton South VIC 3053

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AFSL No. 244392
RSEL No. L0000093
RSE No. R1000054
SPIN PIC HOS 0100AU

Postal address

Locked Bag 969
Carlton South VIC 3053

Phone 1300 799 998

Fax 1300 366 991

Visit hostplusexecutive.com.au

Email info@mail.hostplusexecutive.com.au

VIC

Level 2, Casselden Place
2 Lonsdale Street
Melbourne VIC 3000

SA/NT

Level 1, 104 Frome Street
Adelaide SA 5000

QLD

Level 11, 120 Edward Street
Brisbane QLD 4000

Gold Coast

Shop 110/111
Pacific Fair Shopping Centre
Hooker Boulevard
Broadbeach QLD 4218

WA

Level 2, 12 St. Georges Terrace
Perth WA 6000

ACT

Unit 6, Ground Floor
33 Allara Street
Canberra ACT 2601

NSW

Level 5, Sydney Central
477 Pitt Street
Sydney NSW 2000

TAS

Level 2, 119 Macquarie Street
Hobart TAS 7000