

# Pension Bonus Scheme

The Pension Bonus Scheme (PBS) is a tax-free lump sum bonus for people who work past age pension age and put off claiming the Age Pension.

## To qualify:

- You must register with Centrelink within 13 weeks of reaching Age Pension age. The registration form and information booklet come as a package and are available from Centrelink offices or online at [www.centrelink.gov.au](http://www.centrelink.gov.au).
- You must qualify for the Age Pension on retirement to receive the bonus.
- You must have worked between one to five years while putting off receiving the Age Pension.
- When you are ready to claim the Age Pension, you will have to lodge a claim for the bonus with Centrelink.
- The bonus amount is a multiple of your annual basic pension when you claim the Age Pension and the length of time you continue to work.

	Maximum bonuses payable as at 1 July 2009	
Bonus years	Single (\$)	Partnered (each) (\$)
1 year	\$1,192.60	\$1,163.10
2 years	\$5,570.40	\$4,652.40
3 years	\$12,533.30	\$10,467.90
4 years	\$22,281.50	\$18,609.60
5 years	\$34,814.80	\$29,077.50

## What does the amount of PBS I get depend on?

The amount of bonus you get depends on

- The amount of basic Age Pension you are entitled to when you claim it after you leave the workforce. For example, if you are entitled to 75% of the basic rate of the Age Pension on retirement, your bonus will be 75% of the amount in the table above
- The length of time you have been a member of the PBS
- Whether you are single or have a partner

## What is the PBS work test?

The work test for the PBS requires you to complete at least 960 hours of 'gainful' work each year (ie. an average 20 hours a week over 48 weeks or 18.46 hours a week over a year). At least 640 of these hours must be worked in Australia.

The work test is flexible enough to meet all types of working patterns, such as seasonal work, as well as regular hours. For example, you can meet the work test if you work 30 hours a week over 32 weeks.

You can take work-related leave for up to 26 weeks without failing the PBS work test.

**IMPORTANT: The Government has recently announced that the Pension Bonus Scheme will be closed to new applications as of 20<sup>th</sup> September 2009**

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**Any questions? Call 1800 046 166 or visit: [www.moneysolutions.com.au](http://www.moneysolutions.com.au)**