

## Transition to retirement

With many of us living longer and having higher job satisfaction, people are questioning the need to retire at age 65. A transition to retirement (TTR) strategy is one way you can make the gradual move to retirement.

### What is Transition to Retirement?

A transition to retirement strategy allows you to start accessing your super while you are still working. It helps you to gradually reduce your work hours, whilst supplementing your salary with your super.

You must have reached your preservation age and you cannot take it as a lump sum. Income is to be taken as regular payments, subject to an annual limit.

### How does it work?

To start a transition to retirement strategy you will need to deposit some or most of your super into an income stream / pension account. You must leave a small amount in your accumulation account so you can continue to receive ongoing employer super contributions and any voluntary contributions you may make.

Once your income stream account is opened, you must then withdraw between 4% and 10% of your starting balance each year, depending on your age.

### Benefits of a Transition to Retirement strategy

- Reduce your working hours without reducing your income
- Minimise the amount of tax payable on pension income (different benefits apply for different ages)
- Maximise retirement savings by continuing to contribute to super

### Find out more

View our educational module '[Transition to retirement](#)' to learn more.

Downloaded on: 19/11/2017 from: <http://wasuper.com.au/members/retirement/transition-to-retirement/>

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