



## DEFENCE FORCE WELFARE ASSOCIATION

### **INFORMATION SHEET CONCERNING TAX TREATMENT OF VETERAN INVALIDITY BENEFIT PAYMENTS – DOES IT AFFECT YOU?**

1. The Tax changes do not affect any DVA Pension (incl TPI) in any way.
2. The Tax changes only affect those who:
  - receive DFRDB or MSBS Class A or Class B Invalidation Benefits, AND
  - applied for a Private Ruling from the Australian Taxation Office in the last year.
3. Only about 392 Veterans have had these Private Rulings. ComSuper should have advised them of the Tax change by now.
4. Private Rulings required a bit of complex dealings with the ATO involving your:
  - providing 2 x doctors' certificates to the ATO; and
  - making a formal election to have your Invalidation Benefit payments treated as lump sum payments.
5. You would remember if you had to go through this. If you do not know about Private Rulings, then, this tax change does not affect you.

#### **IF YOU RECEIVE DFRDB or MSBS CLASS A or B DISABILITY BENEFITS**

6. I would recommend you monitor the DFWA or ADSO websites for up to date information on developments in this area of taxation of Class A and B DFRDB or MSBS Invalidation Benefits.
7. You can also get up to date information and post questions on-line by joining Facebook Groups which specialise in this area. These Groups are:
  - *COMSUPER-MILITARY ENTITLEMENTS*, and  
<https://www.facebook.com/groups/1098180903529690/>
  - *ADF Invalidation Payments-Taxation Treatment*.  
<https://www.facebook.com/groups/1709523469074142/>
8. Some members of these groups are actively challenging ComSuper at the Administrative Appeals Tribunal and Federal Court over the way ComSuper has been reporting your Invalidation Benefit payments to the ATO. DFWA is strongly supporting the actions of these groups.
9. If Court Action is successful, it is likely that many of those receiving DFRDB or MSBS Invalidation Benefits, will pay much less tax. So it pays to:
  - Monitor the situation, and
  - Support the Facebook Groups and the DFWA - fighting for you !