

● **DISABILITY SUPPORT PENSION (DSP)**

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The DSP is a payment from Centrelink that provides financial support to people who have a physical, intellectual, or psychiatric condition that stops them from working.

BENEFITS

- The DSP provides a regular income stream to improve your cashflow.
- Your assets may last longer, because the increased cashflow means you will have less need to draw on your personal investments.
- You will be entitled to a concession card to reduce the cost of some expenses (such as reduced cost medicines).

HOW IT WORKS

To qualify for the DSP, you must be over age 16 and have a physical, intellectual or psychiatric impairment that results in you being unable to work for 15 hours or more each week for at least the next two years.

To assess your eligibility for DSP, Centrelink may require a report from your doctor or specialist about your disability, injury or illness. You may also need to have a Job Capacity Assessment which is a way of finding out if you can work, how much work you can do and whether you need help to find and keep a job.

DSP payments are made fortnightly and can be paid directly into a savings account, such as a bank, building society or credit union account.

RESIDENCE REQUIREMENTS

The residency requirements generally require you to have been an Australian resident for at least 10 years with at least 5 years in a continuous period. You must still be an Australian resident living in Australia when you lodge the claim.

The residency timeframe may be lower if you are covered by certain International Social Security Agreements.

A person will need to have:

- 10 continuous years of Australian residence including at least five years during their Australian working life, or
- 10 continuous years of Australian residence and proof they have not received activity tested income support for cumulative periods of five years or more, or
- 15 years of continuous Australian residence.

Residence during a person's working life is the number of years a person has resided (lived permanently) in Australia between age 16 and age pension age.

DSP PAYMENT RATES

Payment rates are indexed. You should refer to the References section at the end of the document.

The rate payable will depend on whether you are single or a member of a couple and your means test assessment. This payment also includes a pension supplement (which is paid at a minimum rate) and an energy supplement.

The means test uses an income test and an assets test. The one that produces the lowest rate of pension is the one that applies.

INCOME AND ASSETS TESTS

The amount of DSP you get is subject to two separate assessments – an assets test and an income test. Centrelink apply both of these tests to your situation and the test that results in the lower rate of DSP is the one that is applied.

PENSIONER CONCESSION CARD (PCC)

If you are eligible for the DSP, you will also be entitled to a PCC to help reduce your expenses.

The PCC gives you access to a range of discounted medical services funded by the government including cheaper prescription medicines through the Pharmaceutical Benefits Scheme (PBS). Doctors may bulk bill if you hold this card and you may also receive some concession through your state, territory or local government. The range of concessions will vary depending on where you live, refer to the References section below for current rates.

WHAT YOU NEED TO CONSIDER

- Other benefits, such as Rent Assistance, may also be payable.
- If you are permanently blind you can receive the full DSP as the means-tests are not applied.
- The DSP is taxable income however you may be eligible for the Senior Australians and Pensioners Tax Offset to help reduce your tax liability.
- Payments may be affected if you go overseas for extended periods of time. You should check details with Centrelink before leaving the country.
- You are required to tell Centrelink within 14 days about any change in your circumstances that may affect your payment.

REFERENCES



You may wish to refer to the following websites for further information about disability support pensions:

- www.ato.gov.au
- www.dss.gov.au
- www.serviceaustralia.gov.au

The information in this document is of a general nature and does not take into account your own financial objectives, circumstances or needs. You should consider your own personal situation and requirements before making a decision.