



New South Wales

Police Superannuation Amendment Regulation 2000

under the

Police Regulation (Superannuation) Act 1906

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Police Regulation (Superannuation) Act 1906*.

JOHN DELLA BOSCA, M.L.C.,

Special Minister of State

Explanatory note

The object of this Regulation is to prescribe the manner in which certain benefits are to be reduced for the purpose of reflecting tax liabilities applicable to employer contributions to the benefits.

Under section 14AA of the *Police Regulation (Superannuation) Act 1906*, the SAS Trustee Corporation (*STC*), the trustee of the Police Superannuation Scheme, must reduce benefits that accrue under that Scheme if *STC* is liable to pay tax in respect of amounts appropriated from the Consolidated Fund to finance the benefits. A reduction cannot be made unless the regulations prescribe the benefit concerned as a benefit that is to be reduced and prescribe the method of calculating the reduction. The *Statute Law (Miscellaneous Provisions) Act 2000* amended section 14AA (on and from 1 July 2000) to make it clear that the section applies to benefits being paid on 1 July 2000 and that became payable between 1 July 1988 and 30 June 1997. The proposed Regulation sets out the way in which reductions for such benefits are to be calculated (see proposed clause 10A).

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Explanatory note

The proposed Regulation also makes the following amendments:

- (a) an amendment to correct an outdated reference,
- (b) an amendment to correct the application of the formula for calculating reductions in benefits to benefits increased under the provision of the Act providing for hurt on duty benefits or benefits to spouses.

This Regulation is made under the *Police Regulation (Superannuation) Act 1906*, including section 14 AA and section 24 (the general regulation-making power).

Police Superannuation Amendment Regulation 2000

1 Name of Regulation

This Regulation is the *Police Superannuation Amendment Regulation 2000*.

2 Commencement

This Regulation commences on 7th July 2000.

3 Amendment of Police Superannuation Regulation 1995

The *Police Superannuation Regulation 1995* is amended as set out in Schedule 1.

4 Notes

The explanatory note does not form part of this Regulation.

2000 No 343

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Schedule 1 Amendments

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(Clause 3)

[1] Clause 7 Benefits to which this Division applies

Omit “This Division”.

Insert instead “Except as provided by clause 10A (1), this Division”.

[2] Clause 7 (a)

Omit “contributor eligible for membership of PSESS”.

Insert instead “executive officer”.

[3] Clause 9 Calculation of portion of benefit attributable to employer contributions

Insert after clause 9 (2):

- (3) Despite subclauses (1) and (2), for the purposes of the formula in clause 8, $\frac{A}{B}$ is taken to be unity, if the benefit to be reduced is an increase in any allowance under section 10 or 12 of the Act.

[4] Clause 10A

Insert after clause 10:

10A Calculation of reduction in benefits relating to past benefits

- (1) This clause applies to a benefit payable on or after 1 July 2000 that is:
- (a) a superannuation allowance referred to in clause 7 that was first payable on or after 1 July 1988 and before 1 July 1997, or
 - (b) a superannuation allowance granted under section 11, 11AA, 11A, 11C or 12 (1AA) (b) (ii) of the Act to the spouse of a former member who first received a superannuation allowance on or after 1 July 1988 and before 1 July 1997.

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- (2) In addition to other reductions calculated under this Division, benefits to which this clause applies are, for the purposes of section 14AA of the Act, to be reduced in accordance with this clause.
- (3) A benefit referred to in subclause (1) (a) is to be reduced by an amount calculated by applying the provisions of clauses 8, 9 and 10 in respect of the amount of the superannuation allowance when it was first payable.
- (4) A benefit referred to in subclause (1) (b) is to be reduced by an amount equal to 62.5 % of the amount calculated by applying the provisions of clauses 8, 9 and 10 in respect of the superannuation allowance paid to the former member whose spouse is receiving the allowance, as at the date that allowance was first paid to the former member.
- (5) In addition to any reduction calculated under subclause (3) or (4), a benefit to which this clause applies:
- (a) that is a superannuation allowance payable under section 10 or 12 of the Act, and
 - (b) that has been increased since the first date on which it was payable,
- is to be further reduced by amounts calculated by applying the provisions of clauses 8, 9 and 10 to the amount of each increase, as at the date on which the increase was effected.
- (6) If a benefit has been reduced as a result of one or more commutations, the amount of any reduction calculated under subclause (3), (4) or (5) is to be diminished by multiplying it by a fraction equal to the proportion that the benefit payable on 1 July 2000 bears to the benefit that would have been payable on that date if no commutation had occurred.
- (7) In the case of a superannuation allowance liable to adjustment under Division 2 of Part 4 of the Act, the amount of a reduction calculated under subclause (3), (4) or (5) is to be adjusted, in relation to each year during which the allowance has been paid, ending on 1 July 2000, by the adjustment percentage for that year applied to the superannuation allowance under Division 2 of Part 4 of the Act.

BY AUTHORITY