

## **SUPERANNUATION DEATH BENEFITS**

Superannuation death benefits will not normally form part of your estate on your death and so are not normally an estate asset that is dealt with by provisions in your will. Most super funds allow members to make either a binding or non-binding death nomination, in which the member nominates the beneficiary or beneficiaries that they want to receive the death benefit.

A binding death nomination compels the super fund to pay the death benefit to the nominated beneficiary; however, such a nomination is only valid for a three year period and so needs to be kept updated.

If you have a self managed super fund (SMSF) your binding death nomination can last for longer than three years if the rules of your fund permit a longer period.

A non-binding death nomination is not binding on the super fund; however, the super fund will give consideration to the nomination in making a decision as to who to pay the death benefit to. It is possible to make a binding or non-binding nomination in which you elect to have super death benefits paid to your estate and in this way; the death benefit can then be dealt with by provisions in your will.

If you want certainty as to who will receive your super death benefits, you should ensure you have an up to date binding death nomination.

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