



Veterans' Entitlements Act 1986

Veterans' Entitlements (Income Exempt Lump Sum – Miscellaneous) Determination 2015

Instrument 2015 No. R18

I, MARK HARRIGAN, delegate of the Repatriation Commission, hereby determine under paragraph 5H(12)(c) of the *Veterans' Entitlements Act 1986* (VEA) that an amount specified in this determination as an exempt lump sum is an exempt lump sum for the purposes of the definition of "ordinary income" in subsection 5H(1) of the VEA.

Dated this 2nd day of February 2015

Mark Harrigan

.....
MARK HARRIGAN

Part 1: Preliminary and Interpretation

1.1 Name of determination

This determination is the *Veterans' Entitlements (Income Exempt Lump Sum – Miscellaneous) Determination 2015*.

1.2 Commencement

This determination commences on the day after registration.

1.3 Revocation

The *Veterans' Entitlements Income Exempt Lump Sum Determination No.1 of 2000* is revoked.

1.4 Definitions

In this determination:

aged care is defined in Schedule 1 Dictionary of the *Aged Care Act 1997*.

CJD means Creutzfeldt-Jakob disease.

crisis payment has the meaning it has in subregulation 3(1) of the *Veterans' Entitlements (Special Assistance) Regulations 1999*.

exempt bond amount has the meaning it has in clause 16, Part 2 of Schedule 5 of the VEA.

HEC agreement means a home equity conversion agreement as defined in subsection 5H(1) of the VEA.

Holocaust survivor means a person who has lived under the Nazi regime, Nazi occupation, or Nazi collaborative regime and:

- (a) is an Australian citizen or an Australian resident; and
- (b) is in receipt of an *income support payment* or *pension* from the Australian Government.

income support payment has the same meaning it has in subsection 23(1) of the *Social Security Act 1991*.

life office means a life insurance business within the meaning of the *Life Insurance Act 1995*.

member of a couple has the same meaning as in subsections 5E(2), (3) and (4) of the VEA.

pension has the meaning it has in subsection 5Q(1) of the VEA.

refunded amount is an amount described as a refunded amount in clause 17B of Part 2A, Schedule 5 of the VEA refers.

superannuation fund has the meaning it has in subsection 10(1) of the *Superannuation Industry (Supervision) Act 1993*.

Part 2: Exempt Lump Sums

2.1 The following amounts are exempt lump sums:

- (1) A one-off payment made on or after 11 February 2000 to needy *Holocaust survivors* from a Humanitarian Fund established by Swiss banks, and administered by the World Jewish Restitution Organisation through the Executive Council of Australian Jewry.
- (2) If:
 - (a) a person has an annuity contract or contracts with a *life office* or a *superannuation fund* that was current at 20 September 1998; and
 - (b) that person was in receipt of an *income support payment* at 19 September 1998; and
 - (c) the annuity contract or contracts were converted to an asset test exempt product or products between 20 September 1998 and 31 July 1999 (inclusive);

then any amount paid by the *life office* or a *superannuation fund* to the person as the minimum amount payable consistent with the need to convert the person's existing annuity contract or contracts to an asset test exempt product or products is an exempt lump sum.

- (3) If a person is not a *member of a couple* — an amount in excess of \$40,000 that is paid to or on behalf of the person under a *HEC agreement*
- (4) If a person is a *member of a couple* — an amount in excess of \$40,000 that is paid to or on behalf of the person or the person's partner under a *HEC agreement*.
- (5) An ex gratia payment for risk of *CJD* in the following circumstances (patient):

If:

- (a) a person received treatment under the Australian Human Pituitary Hormone Program during the period 1967 to 1985; and
- (b) that person has received an ex-gratia payment from the Commonwealth because they have demonstrated that they have suffered a recognised psychiatric illness as a result of being informed that they are at an increased risk of contracting *CJD*:

then any amount paid as a lump sum by the Commonwealth to that person is an exempt lump sum.

- (6) An ex gratia payment for risk of *CJD* in the following circumstances (child of patient):

If:

- (a) a person is a child of a woman mentioned in this paragraph; and
- (b) the woman received treatment under the Australian Human Pituitary Hormone Program during the period 1967 to 1985; and
- (c) the woman has died as a result of contracting *CJD*; and
- (d) that person has received an ex-gratia payment from the Commonwealth because they have demonstrated that they have suffered a recognised psychiatric illness as a result of that person's mother dying from *CJD*:

then any amount paid as a lump sum by the Commonwealth to that person is an exempt lump sum.

A reference to a woman in this paragraph is either:

- Jane Allender; or
- Jan Blight; or
- Vonda Cummings; or
- Jenny Halford

- (7) An *exempt bond amount* (refund of accommodation bond) received by a person who is or was an *aged care* resident.
- (8) A *refunded amount* (a refund of accommodation charges) received by a person who is or was an *aged care* resident.
- (9) A "One-off" *crisis payment* granted under the *Veterans' Entitlements (Special Assistance) Regulations 1999*.
- (10) A payment (other than a periodical payment or a payment representing an accumulation of instalments) made for or in respect of expenses incurred by a person for hospital, medical, dental or similar treatment.

Note: this exemption provides an equivalent exemption to that defined in paragraph 8(8)(v) of the *Social Security Act 1991*.