Equip Super

Centrelink Age Pension fact sheet

What is the Age Pension?

The Age Pension is a Government support payment to assist Australian residents achieve an adequate level of income when they reach Age Pension age. The amount payable is based on your home ownership and relationship status as well as the Income and Assets tests.

Conditions of Eligibility

If you are aged 67 or older, you may be eligible for an Age Pension. To receive an Age Pension, you must also meet an income test and assets test, and qualify under residence rules.

What is the current maximum rate of pension?

Marital status	Maximum pension rates (per fortnight)*
Single	$1,200.90
Couple (each)	$905.20

The above payment includes a Pension Supplement and Energy Supplement.

*For the period 20 March 2026 to 19 September 2026.
The rates are adjusted twice a year in March and September based on indexation calculations.

Pensioner Concession Card

The Pensioner Concession Card (PCC) is issued to all recipients of the Age Pension. Holders of the PCC receive the following concessions:

- various state and local government concessions, which may include reductions in property and water rates, energy bills, public transport costs and motor vehicle registration charges
- reduced cost medicines through the Pharmaceutical Benefits Scheme
- hearing aids through the Commonwealth Hearing Services Program, and
- reduced rate mail redirection from Australia Post when changing address.

The Income and Assets Tests

Your income and assets are tested against minimum and maximum limits. When a person is subject to the two tests, the test that applies for determining a rate of Age Pension is the one that results in the lowest amount of pension payable.

The Income Test

Under the Income Test, pensioners are entitled to earn a certain amount of income per fortnight before the maximum benefit is reduced.

Income test threshold

Pension type	Shade out threshold[1] (per fortnight)	Cut out threshold[2] (per fortnight)
Single	$226.00	$2,627.80
Couple (combined)	$396.00	$4,016.80

[1]The shade out threshold is the maximum assessable income from other sources where a pensioner remains entitled to the full pension. The pension reduces by 50c for each dollar of assessable income a single person earns and by 25c for each dollar of assessable income each person of a couple earns in excess of the shade out threshold.
[2]The cut out threshold is the level of income at which there is no entitlement to a pension.

If you have applied for the Age Pension prior to 20 September 2009, transitional rates may apply.

The Assets Test

The Assets Test is designed to limit access to Centrelink benefits for a person with substantial assets. Pensioners are entitled to a certain value of assets before the maximum pension entitlement is reduced. The applicable thresholds depend on whether or not the applicant is part of a couple, and whether they are a homeowner or non-homeowner. The Assets Test does not include your principal residence.

Assets test thresholds

Pension type	Shade out threshold[1]	Cut out threshold[2]
Homeowner		
Single	$333,000	$733,500
Couple (combined)	$499,000	$1,102,500
Non-homeowner		
Single	$600,000	$1,000,500
Couple (combined)	$766,000	$1,369,500

[1]The shade out threshold is the maximum assessable assets where a pensioner remains entitled to the full pension. The pension reduces by $3.00 per fortnight for each $1,000 of assessable assets in excess of the shade out threshold.
[2]The cut out threshold is the level of assessable assets at which there is no entitlement to a pension.

What is the Work Bonus?

The Work Bonus is an incentive for pensioners over Age Pension age to participate in the workforce.

- The first $300 of employment income you earn each fortnight is disregarded and not counted as income.
- Any unused amount (if you earn between zero and $300 in a single fortnight) is now added to your Work Bonus balance. The maximum Work Bonus balance limit is $11,800.
- Your Work Bonus balance is used to offset any future employment income you earn in a single fortnight above $300.

Who is eligible for the Work Bonus?

All pensioners over Age Pension age (other than recipients of Parenting Payment Single) are eligible if they have employment income.

Income the Work Bonus applies to:

- Wages paid in Australia and outside Australia
- Director's fees.

In most cases, Centrelink will calculate the Work Bonus using the employment income that is earned in the fortnight before the pension is payable.

Income the Work Bonus does not apply to:

- Leave payments
- Investments
- Superannuation income
- Self-employed income

How do you get the Work Bonus?

You do not need to apply for the Work Bonus but you will need to keep Centrelink up to date with your earnings. If you receive eligible employment income, Centrelink will automatically recognise this and include it in your assessment.

Commonwealth Seniors Health Card

If you are not eligible to receive Age Pension, then you may be entitled to receive the Commonwealth Seniors Health Card (CSHC).

The CSHC helps senior Australians with the cost of medicines as it helps reduce the cost of prescription medicines if you are of Age Pension age, but do not qualify for Age Pension.

To qualify, you must:

- be an Australian resident, living in Australia,
- have reached Age Pension age but not qualify for Age Pension, and
- meet an income test. To meet the income test, you must earn less than $101,105 a year if you're single, and $161,768 a year for couples. The Income Test includes adjusted taxable income plus deemed income from any account-based income streams. There is no Assets Test.

Gifting

Under current Centrelink rules, you are able to gift cash or assets to another person within specified limits without affecting your Centrelink entitlements.

There are two concurrent rules, which specify the assessment of gifts by Centrelink:

You are able to gift up to $10,000 (for a single or couple combined) per financial year without affecting your pension. Any gift in excess of this limit is counted under both the Assets and Income Tests for five years.

In addition to the annual $10,000 limit, you cannot gift more than $30,000 over any rolling 5 year period. Any gifts in excess of this will be counted under both the Assets and Income Tests for five years.

Deeming

Deeming is a simple set of rules used to assess income earned from financial assets. Under these rules Centrelink assumes financial investments are earning a certain amount of income, regardless of the income they actually earn. Financial investments include:

- Bank accounts
- Term deposits
- Shares
- Managed funds
- Some retirement pensions*

*Deeming rules apply for retirement pensions that commenced on or after 1 January 2015. A financial planner or Centrelink Officer can help you to determine how much income is counted.

Deeming rates

For single individuals, the lower deeming rate of 1.25% applies to the first $66,800 of financial assets. Any amount above this threshold is deemed to earn income at the higher rate of 3.25%.

For pensioner couples, the lower deeming rate of 1.25% applies to the first $110,600 of their combined financial assets. Amounts above this threshold are assessed at the higher rate of 3.25%.

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