



Financial Assistance

Payments after Bereavement

Purpose

This fact sheet provides information on bereavement payments available under the *Veterans' Entitlements Act 1986*. Information relating to bereavement payments available under the *Military Rehabilitation and Compensation Act 2004* is contained in *Fact Sheet MRCS 18: Bereavement Payments*.

Why is a bereavement payment made?

Payments are made to assist with costs that may follow the death of a veteran and assist a surviving partner adjust their finances due to the cessation of the deceased veterans' pension.

It is also to assist with the costs of a funeral where the deceased single veteran who is in receipt of Special Rate (T&PI) or Extreme Disablement Adjustment (EDA) rate dies without sufficient assets to pay for a funeral.

What is a bereavement payment?

Bereavement payments are non taxable payments made after the death of a person who received certain eligible payments from the Department of Veterans' Affairs (DVA).

Bereavement payments may be paid as a combination of a lump sum amount and pension instalments paid after the person's death.

The individual amounts paid as either a lump sum, pension instalments or combination of the two will vary and depend on when we are told about the death. The overall amount will be the same, regardless of how it is paid.

How do I get a bereavement payment?

You do not generally have to apply for a bereavement payment. If a lump sum bereavement payment is payable, it will be paid automatically after we are told about the death. For this to happen promptly and to avoid pension being overpaid, we need to be told about the death as soon as possible.

Payments after Bereavement, *continued*

How do I get a bereavement payment? *continued*

If the deceased person was a single veteran in receipt of Special Rate (SR) or Extreme Disablement Adjustment (EDA) rate who died in indigent circumstances, the executor of their estate may apply for a bereavement payment by completing the 'Claim for Bereavement Payment for Single Veterans' form. Once determined the payment will be paid directly to the executor of the estate.

When is a bereavement payment made?

The one-off lump sum bereavement payment is made as soon as possible after we are told about the death of a person.

Who can receive a bereavement payment?

If the pensioner was single

The payment is usually made to the deceased person's estate if the pensioner was single, separated, or widowed when they died, and they were receiving:

- service pension; *or*
- social security age pension; *or*
- Defence Force Income Support Allowance (DFISA); *or*
- income support supplement; *or*
- disability pension at the Special Rate and died in indigent circumstances; *or*
- disability pension at the Extreme Disablement Adjustment (EDA) rate and died in indigent circumstances.

If the pensioner was a member of a couple

The payment is usually made to the surviving partner if the partners were:

- living together; *or*
- separated because of medical reasons; *or*
- if either of them was in respite care at the time of death

and

the pensioner was receiving:

- service pension; *or*
- social security age pension; *or*
- Defence Force Income Support Allowance (DFISA); *or*
- income support supplement *or*
- disability pension.

Payments after Bereavement, *continued*

What happens to the pension?

The effect of bereavement on the pension depends on whether the pensioner was single or a member of a couple and the type of pension being paid at the time of their death.

If the pensioner was single

The pension is stopped. The pension does not transfer to the pensioner's dependants.

If the pensioner was a member of a couple and an income support pensioner

If the surviving partner is receiving an income support pension, it may be changed to the single rate, or stopped, depending on the type of pension paid and other circumstances which may affect the rate of pension. Depending on the type of pension received, the department may also review the income and assets of the surviving partner at a later date, to ensure they are paid the correct rate of pension.

If the pensioner was a member of a couple and receiving a disability pension

If the deceased partner was receiving a disability pension at the Special Rate (T&PI), the Extreme Disablement Adjustment (EDA) rate, Temporary Special Rate (TTI), Intermediate Rate (IR) or was a Prisoner of War (POW), then the surviving partner will automatically receive the war widow's pension. In other cases, the surviving partner may be eligible for the grant of a war widow's pension if the veteran died from a war, or defence-caused illness or disease. For more information on the war widow's pension see *DVA Fact Sheet DP 60 War Widow's and Orphan's Pension*.

Can more than one bereavement payment be made for a person?

Yes.

Depending on the types of pensions a person was receiving and entitled to receive at the time they died, a bereavement payment may be made for each type of pension received.

Payments after Bereavement, *continued*

Can more than one bereavement payment be made for a person? *continued*

For example, if a person was receiving a service pension and a disability pension and they were a member of a couple, then the surviving partner will receive a bereavement payment of service pension and a bereavement payment of disability pension.

Bereavement payment for service pension, social security age pension, Defence Force Income Support Allowance (DFISA), or income support supplement recipients

How much is the lump sum bereavement payment?

The amount of payment made to the estate of a single pensioner depends on when we are told about the death.

The amount of payment made to the surviving partner depends on:

- when we are told about the death, and
- the combined rate of pension before the bereavement.

DFISA bereavement payment

For age pensioners receiving the Defence Force Income Support Allowance (DFISA), the DFISA bereavement payment is calculated automatically by Centrelink and paid through the DVA payment system.

How is the amount of bereavement payment calculated?

The calculation of bereavement payment depends on whether the person was single or a member of a couple at the time of their death.

If the pensioner was single

The bereavement payment for the estate of a single person is based on:

- the daily rate of pension payable before death, multiplied by 14 days.

Example 1

Assuming the bereavement payment is processed on the eighth day following the bereavement:

- daily rate of pension payable before death = \$39.06
- multiplied by 14 days = \$546.80
- less 7 days of pension already paid after the death = \$273.42
- lump sum bereavement payment totals \$273.42.

Payments after Bereavement, *continued*

How is the amount of bereavement payment calculated? *continued*

If the pensioner was a member of a couple

The bereavement payment for the surviving partner is based on:

- the difference between the daily combined rate of pension of each member of the couple less the daily rate of pension payable following death, multiplied by 98 days.

Example 2

Assuming the bereavement payment is processed on the fifteenth day following the bereavement:

- daily combined rate of pension payable before death = \$65.26
- multiplied by 98 days = \$6,395.48
- less 14 days of pension already paid after the death = \$913.64
- totals \$5,481.84, (98-14 = 84 days multiplied by \$65.26)
- daily rate of pension payable after death = \$39.06
- multiplied by 84 days = \$3,281.04
- \$5,481.84 less \$3,281.04 = \$2,200.80
- lump sum payment totals \$2,200.80.

When is a lump sum payment not made?

No lump sum payment is made for income support pensioners when either:

- we are not told about the death until after 14 days for single pensioners or 98 days for a member of a couple, *or*
- the combined couples rate of pension for a member of a couple before the bereavement is less than the rate paid following the bereavement.

Note: If we are not told of a death in time then the amount of pension paid after the 14/98 day period maybe recovered from the pensioner's estate.

Bereavement payments as a result of the death of a child

If the dependent child of an income support pensioner dies, a dependent child bereavement payment may be made. The bereavement payment is the amount of pension payable in respect of the child, on the last day of the last pension period prior to the death of the child paid for a period of 98 days.

Payments after Bereavement, *continued*

Bereavement payment for Disability Pension recipients

How much is the bereavement payment?

The amount of bereavement payment depends on the fortnightly rate of disability pension that would have been payable on the first pension pay day after DVA becomes aware of the death of the veteran.

How is the amount of bereavement payment calculated?

The calculation of bereavement payment depends on whether the veteran was single or a member of a couple at the time of death.

If the pensioner was single

No bereavement payment is made automatically. A claim for bereavement payment maybe made by the estate of Special Rate (T&PI) or Extreme Disablement Adjustment (EDA) rate Veterans who die in indigent circumstances. An application for bereavement payment must be made within 12 months of the veterans death. Claim forms are available from your nearest DVA office or the DVA website at www.dva.gov.au.

The bereavement payment to the estate is based on:

- 6 instalments of the fortnightly rate of disability pension that would have been payable on the first pension pay day after the death of the veteran.

Definition of indigent circumstances

The table below illustrates the definition of indigent circumstances.

If the person who died was a...	And the value of their estate	Then...
Single veteran	Covers all liabilities including funeral expenses	They are not considered to have died in indigent circumstances
Single veteran	Is not sufficient to cover all liabilities including funeral expenses	They are considered to have died in indigent circumstances

Payments after Bereavement, *continued*

How is the amount of bereavement payment calculated? *continued*

If the pensioner was a member of a couple

Once we are notified about the death of the veteran, a bereavement payment is made automatically to the surviving partner.

The bereavement payment for the surviving partner is based on:

- 6 instalments of the fortnightly rate of disability pension that would have been payable on the first pension pay day, after we become aware of the death of the veteran.

When is a disability pension bereavement payment not made?

When the deceased single veteran was not in receipt of Special Rate or Extreme Disablement Adjustment rate, or was in receipt of Special Rate or Extreme Disablement Adjustment rate but did not die in indigent circumstances.

Note: Pension paid after the veteran's death may be recovered from their estate.

What happens if the veteran dies before a claim for a Disability Pension or an increase is decided?

In some cases a veteran dies while they have an outstanding claim for disability pension or an application for increase in disability pension. If the claim or increase is granted after the veteran's death, the bereavement payment will be based on the new rate of pension.

Oral advice

While we make every effort to ensure that you are given accurate information, it is important that you seek written confirmation of oral information or advice before making any major decisions based on that information.

We continually strive to improve the level of service you receive and make this request as an added safeguard for you.

Other publications

More information on bereavement payments is available in the "*Planning Ahead - A guide to putting your affairs in order*" package available from any DVA office.

Payments after Bereavement, *continued*

Other fact sheets

Other fact sheets related to this topic include:

- *Funeral Benefits: BR 01*
- *Your Will: BR 03*
- *Bereavement Payments: MRCS 18*
- *War Widow's and Orphan's Pension: DP 60*
- *Arrangements for Other People to Act on your Behalf Agents, a Power of Attorney etc: LEG 01*

More information

All DVA fact sheets are available on request from any DVA office or on the DVA website at www.dva.gov.au/factsheets/default.htm.

If you need more information about this topic, contact your nearest DVA office or visit the DVA website at www.dva.gov.au.

You can telephone DVA for the cost of a local call* on:

133 254 - general inquiries

1800 555 254 - non-metropolitan callers

Note: *If you use a mobile phone, calls may be more costly. You are advised to use a normal phone (a landline phone) when ringing these numbers.