

# MILITARY SUPERANNUATION AND BENEFITS (DELAYED PAYMENT OF BENEFITS) DETERMINATION 2009 – EXPLANATORY STATEMENT

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## **1 Name of Determination**

This determination is the Military Superannuation and Benefits (Delayed Payment of Benefits) Determination 2009.

## **2 Commencement**

This determination is to take effect from the day after it is registered on the Federal Register of Legislative Instruments.

## **3 Background**

The *Military Superannuation and Benefits Act 1991* and Trust Deed makes provision for, and in relation to, the Military Superannuation and Benefits Scheme (MSBS) which is an occupational superannuation scheme for members of the Australian Defence Force.

Paragraph 3(1)(c) of the MSBS Trust Deed and rule 69 of the MSBS Rules made under Part 2 of the *Military Superannuation and Benefits Act 1991* make provision for the payment of interest where benefit payments are delayed.

## **4 Purpose and operation of instrument**

The determination sets the rates of interest to be applied and prescribes the methodology for the calculation of interest on lump sums and pensions in circumstances where the Board has exercised its power under rule 69 to add an amount of interest to a benefit because of a delay in its payment.

## **5 Consultation**

As the instrument is for internal machinery of Government purposes only, no consultation was considered necessary with other persons (see sections 17 and 18 of the *Legislative Instruments Act 2003*).