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WEALTH PARTNERS

Moving home:

A comprehensive guide for Australians living in the US



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Managing Wealth Across the **US** and **Australia**

Managing wealth across the United States and Australia requires a considered and highly informed approach. The interaction between two complex financial systems creates both challenges and opportunities, particularly where tax, investment structures and long-term planning intersect.



For expats returning to Australia after living and working in the United States, this transition can be especially complex. From currency considerations and tax implications to asset transfers and evolving financial goals, there are a number of factors that require careful planning — areas where experienced expat financial advisers can provide meaningful guidance.

At Apt Wealth Partners, our expat specialists regularly work with individuals and families navigating these cross-border considerations, bringing a coordinated and holistic approach across financial, tax and legal advice.

Establish your **timeline** and **to-do list**

The first step to a successful move is establishing your timeframe and a financial to-do list. We've provided a comprehensive checklist below, and this guide will delve further into each step.

Moving personal items and pets can be expensive and you'll need time to work out the logistics. Ensure that you have the funds saved well in advance so you aren't reliant on personal loans or accumulate credit card debts unnecessarily.



Understand options for moving retirement funds

Plan for currency transfer

Manage the impact of life events

Revisit insurance strategies to protect wealth

Ensure your estate plans remain viable

Seek advice from experts who understand both jurisdictions

Understand changing tax obligations

Update financial plans and goals

Plan for asset transfer

Understand the implications of returning to Australia with US taxes

Review US citizenship/Green Card options

Navigate property ownership

Understand changing tax obligations

With a move home, your tax obligations will likely change and it's important to be aware of them. Some key areas to consider are:

- Overseas assets will become assessable for Australian tax purposes and are considered to have been acquired from the day you re-establish your Australian tax residency.
- Australian shares are also typically seen as having been purchased on this date for Australian capital gains tax calculation purposes.
- US citizens or Green Card holders will need to continue filing US taxes based on their worldwide assets in the US after the move home to Australia. This will need to be taken into consideration in your financial plans if you or your partner fit into this category.



Update your financial plans and goals

Moving back to Australia will have an impact on your financial plans and goals and it's important to update them ahead of your move. This will help you plan your financial decisions. Some areas to consider include:

Cost of living and wages

- Will your wage differ once you are back in Australia? What impact will this have on your budget?
- Most major Australian cities are expensive, so depending on where you lived in the US, adjustments to your budget may be necessary, even if your wage will increase.
- Understand your tax obligations both in the US and Australia.

Housing and other big-ticket items

- Where will you live?
- Will you need to rent temporarily or permanently?
- Will you look to buy a home or move into an existing property?
- If buying, what is your time horizon, and do you have the deposit you need? If you have a 3–5 year horizon, you may look at investment strategies to grow your deposit.
- Will you need to purchase a car?
- The cost of relocation- Shipping over furniture, furnishing a new home or transferring pets home.

Family and education expenses

- Will you be starting a family? This may involve time out of work, so it's important to plan ahead.
- Where will your children go to school? How will you fund education costs?

Retirement planning

- If you are coming back to immediate retirement, how will you fund this and will you have immediate access to the funds you need?
- If you are using overseas investments as a source of funding, on top of market ups and downs, you will have to factor in the impact of currency movements.
- How will you access and move your US retirement funds?



Plan for **asset transfers**

When calculating taxes on foreign assets, timing and planning can be critical and significantly impact how much tax you will pay.

There is a common misconception that foreign bank accounts do not attract tax on transfer to Australia. However, this is not always the case. For Australian tax residents, a gain or loss from transferring foreign currency while you're an Australian tax resident can be assessable on an Australian tax return.

This is usually the case where foreign accounts are holding over the equivalent of AUD250K. Where there is a foreign currency debt, should the foreign currency loan be less (in Australian currency terms) at the time of repayment compared to when the loan was taken out (or first became assessable for Australian tax), then there may be tax applicable.

Capital gains tax (CGT) can come into play if you are selling assets (like shares or property). For those who are on a temporary US visa or are Green Card holders for less than eight years, waiting until you come back to Australia and exiting the US tax system may eliminate US capital gains tax obligations in certain circumstances. Typically, Australian capital gains for foreign assets is assessable for the period that you're an Australian tax resident. Therefore, timing of sale of any assets is vital and can drastically change the capital gains tax for asset sales. Advice is important in this area.

Example – Rachael is on an E3 visa living in the US. She buys shares at a total cost of USD500,000 and the value increases to USD900,000 over 5 years.

If Rachael sells before returning from the US: she would pay capital gains taxes on a total gain of USD400,000. Based on US federal tax and Californian state taxes, this could lead to a tax of USD148,400.

If Rachael returns to Australia and sells the asset while she is an Australian tax resident (and no longer a US tax resident), she may not be subject to US tax. In this scenario, Australian capital gains tax would typically be calculated based on the asset's value at the time of her return to Australia.



Differences between the Australian and US tax systems



Examples of how Australian tax system is different to the US tax system and how you will need to adjust your financial strategy

Filing status and asset ownership

A major difference between the US and Australian tax systems is tax filing for spouses. In the US, married couples can file a joint return, which means ownership of income-producing assets between spouses doesn't typically affect tax outcomes.

Australia takes a different approach. Individuals must lodge their own tax return, regardless of marital status. This makes asset ownership a crucial tax-planning tool. Holding investments in the name of the lower-income spouse can reduce overall tax, something that doesn't usually apply in the US system.

Property and debt structuring

The treatment of debt also varies. In the US, mortgage interest on a principal place of residence can be tax-deductible up to \$750,000. In Australia, there's no such deduction. Only interest on loans used to purchase income-producing assets – like investment properties – can be claimed.

In Australia, where deductible expenses (including interest repayments) are greater than the income generated on an investment loan, losses can be used to reduce taxes on employment income, a tax-planning strategy typically not available on a US return.

This is a key area where cross-border financial planning can add value. Strategic debt structuring, especially when moving between countries, can ensure you're not missing valuable deductions or inadvertently increasing your tax burden.

Capital gains tax and asset transfers

The US often allows assets to be transferred between individuals or into trusts without triggering capital gains tax, as these are frequently treated as gifts. In contrast, Australia treats most changes in asset ownership, regardless of intent, as capital gains tax events based on the asset's market value at the time of transfer.

If you plan to gift assets or change structures in Australia, it's critical to seek advice early. Getting the ownership right from the start can help you avoid unnecessary tax and administrative costs.

Retirement income and drawdowns

In Australia, earnings within super in the pension phase are tax-free and withdrawals in retirement are generally not taxed. In the US, withdrawals from most retirement accounts are treated as income and taxed accordingly.

For US expats living in Australia, this can create a scenario where drawdowns from Australian super are tax-free locally but taxable under US rules. The key here is to avoid unexpected liabilities in retirement and to maximise the value of your retirement savings.

US tax-protected accounts

There are types of accounts within the US financial system that offer tax-free growth and tax-free drawdown, including Roth IRAs and 529 plans. Unfortunately, Australia taxes these accounts differently and will typically apply income tax on the growth component of these accounts.

Understand the implications of returning to Australia with US tax obligations

US citizens or US green card holders living in Australia will continue to be assessed for US taxes based on their worldwide assets. This means that you will likely be assessed for both US and Australian taxes concurrently. While there is a double tax treaty in the US and Australia, that doesn't stop tax complications emerging. It's crucial to understand the implications of dual US-Australian tax obligations while living in Australia and build a plan that allows you to continue building wealth.

Some key areas to consider:

Non-US indirect investments

Non-US domiciled managed funds held by an individual with a US tax obligation can have harsh consequences on your US tax returns. These will be deemed passive foreign investment companies (PFICs), potentially incurring penalty tax rates and onerous reporting requirements.

The same treatment will likely apply to the following investments domiciled outside the US:

- exchange traded funds (ETFs)
- Retail property trusts (such as AREITS)
- Listed investment companies (LICs)
- Stapled securities.

Certain direct share investments held outside the US can avoid PFIC treatment; however, care must be taken to ensure that you fully understand PFICs before undertaking a direct share strategy.



Your primary residence

Under Australian tax law, the primary residence is typically a capital gains tax-free asset, so long as it is sold when you're a tax resident of Australia and was considered your primary residence for the full period of ownership. However, this may not be the case for US taxpayers, even when the property is in Australia. While you can exclude USD250K worth of capital gains per US taxpayer if you lived in the property two out of the previous five years prior to sale, US capital gains taxes may apply for any gains above this threshold.

Paying down debt

Many people are unaware of the potential US tax implications of paying down or refinancing your Australian debt. For example, when making a lump sum repayment or refinancing your loan, if the US dollar value of your Australian loan is less than when you took it out, this will be perceived as a US dollar 'gain', which may well be taxable on your US tax return.

For example, a US citizen living in Australia takes out a loan of AUD1M to buy a property when USD and AUD are at parity. They keep the loan as interest-only. Five years later, they receive an inheritance and decide to pay off the loan in full. At this point, the loan remains at AUD1M, but purely due to currency movements, the USD value is \$800K.

There is a reduction of USD200K between when the loan was taken out and when the lump sum repayment was made, and this difference will likely be taxable on their US tax return.

Superannuation

Superannuation is a very complex area as US authorities have not made a clear determination on how it is to be treated for US taxes. Most US accountants will agree that the earnings within the fund will either be taxed each year as part of your US income tax return or when you draw down from your

superannuation account in retirement. Personal contributions to super that exceed what your employer has contributed to the fund can be problematic and can change the treatment of your super fund. Self-managed super funds may be treated as a foreign trust for US tax purpose, leading to more complex (and costly) US tax reporting and potentially harsher tax treatment of the fund.

Structures

US taxpayers that have interests in an Australian-domiciled family trust or run a business through a company structure may face tax complications and additional filing requirements.

Returning with a US taxpaying partner

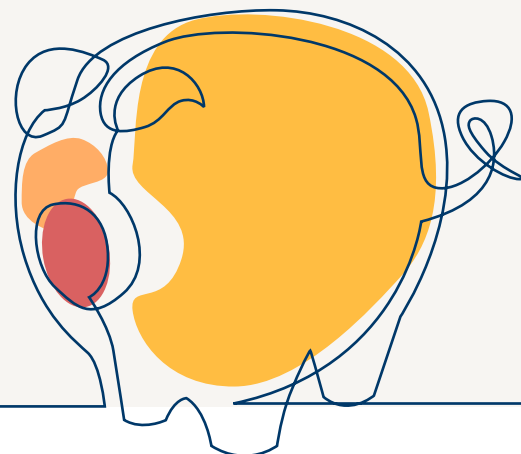
If you are not a US citizen or Green Card holder when you return to Australia, it's likely you won't be required to file US taxes for your Australian assets or income. However, if your spouse is a US citizen or Green Card holder, they will. This presents financial and tax planning opportunities, where assets that may cause US tax issues can be held in your name instead of your spouse's. You can, for example, consider purchasing the primary residence in the non-US taxpayer's name to avoid capital gains tax implications on the eventual sale.

US Tax Obligations - Key Takeaways:

- US citizens and Green Card holders are taxed on worldwide income, regardless of where they live
- Australian tax residency does not remove US filing obligations
- The tax treaty offers protection from double tax in some instances, additional US taxes may be due on superannuation, certain Australian tax investments, sale of your primary residence and trusts or company structures.
- Ongoing compliance (IRS filings, FBAR, FATCA) is essential to avoid penalties

Superannuation

Those living overseas or moving to Australia will likely not have contributed to super for many years. The Australian super system allows for tax-effective opportunities to boost your super quickly, especially if you have a relatively low balance.



Superannuation – Australian tax treatment

Employer/concessional contributions

- Taxed at 15% within fund. Not assessed on personal income tax return.*
- Limit of \$30,000 per annum in the 2025/26 financial year.
- Catch-up contributions – allow you to use the unused portion of your concessional contribution cap for the previous 5 financial years**

*An additional 15% applies for those earning over \$250,000 under Division 293 tax.

** Your balance must be \$500,000 or under at the commencement of the financial year.

Catch-up contribution example

Fred returns to Australia in July 2025 after working in the US for 10 years. On 1 July his super balance is \$375,000. He did not contribute to his super fund while in the US.

Fred earns \$245,000 through his employment in Australia. Fred contributes \$137,500 to his super, utilising his available catch-up contribution.

- Total income tax + Medicare levy without contribution = \$81,288
- Total income tax + Medicare levy after contribution = \$25,188. Fred also pays \$20,625 super contribution tax. Total tax would be \$45,813.

Total tax saving would be \$35,475.

Superannuation – Australian tax treatment

Non-concessional contributions

- After-tax money
- Contribute up to \$120,000 per annum, or \$360,000, bringing forward next two financial years in 2025/26 financial year*

*Total super balance must be below \$2M.

Those with a balance over \$1.76M may be restricted on contributions that can be made to avoid exceeding the transfer balance cap. You must be under age 67 or under age 75 and still employed.

Superannuation – Beware US tax treatment!

- Employer/concessional contributions taxed on US tax return
- ‘Voluntary contributions’ can trigger US ‘foreign grantor trust’ under certain circumstances
- Drawdown of superannuation may be taxable on personal income tax return
- Treatment of investment earnings within superannuation
- Self-managed super fund likely to be treated as a foreign grantor trust on a US return

Superannuation strategy considerations

- Temporary Australian residents of the US – Wait until you exit the US tax system to contribute to super. Catch up contributions / non-concessional contributions
- US taxpayers – Beware of grantor trust triggers (SMSF, large voluntary contributions)
- US citizen or Green Card holder in Australia – Non-US taxpaying partner may offer the opportunity for larger super contributions without US tax consequences
- US citizens in Australia and SMSF – Consider a direct share investment portfolio to avoid US PFIC tax complications
- Beware superannuation rollover – Consult with a US accountant

Superannuation – Key Takeaways:

- Super is not always treated as tax-effective from a US perspective
- Growth within super may be taxable annually in the US depending on classification
- Employer contributions and fund structures can create unintended US tax consequences
- Advice is critical to ensure super strategies align across both jurisdictions



Review your **US citizenship options** and their **implications**

If you are a Green Card holder, you know how hard they are to come by, so it's essential to understand whether you should keep or relinquish yours.

The first question to ask yourself is whether you intend to return to the US in the future. If you are content that you are leaving for good with no plans to reside in the US later on, relinquishing your Green Card may make the most sense; however, there can be financial implications, and you need to plan ahead.



Retaining your Green Card

As a US Lawful Permanent Resident (or Green Card holder), you remain under the US tax system regardless of location. This means you must file US tax returns on worldwide assets and income even if you no longer live in the US.

Remaining a US resident for tax purposes after returning to Australia can have several implications when earning income and buying assets here on home soil.

Therefore, it's essential to be aware of the potential pitfalls when making long- and short-term financial decisions. We'll cover those in detail later in this guide.

You can choose to relinquish your Green Card upon exiting, but it's important to note that exit taxes may apply if you are deemed a long-term permanent resident for US tax purposes. You cannot simply let your Green Card lapse to eliminate US tax obligations. You must complete an I-407 form. Review your US citizenship options and their implications.

Am I a long-term permanent resident?

For US tax purposes, a long-term permanent resident is a Green Card holder who has held the legal right to reside in the US for at least eight of the past 15 years. This doesn't necessarily mean you lived in the States for the entire period, simply that you had the legal right to do so.

How the eight years is calculated isn't simple either, as holding a Green Card for any part of the year will be considered a full year.

So, for example, you reach the eight-year threshold if you received your Green Card on 15 December 2018 and left the US on 10 January 2025 because the 16 days in 2018 and 10 days in 2025, respectively, are each counted as one year.

Do exit taxes apply to me?

If you are a long-term permanent resident, you may be deemed a 'covered expatriate', in which case exit taxes may apply.

These taxes are typically calculated as a percentage of the capital growth position of assets above the threshold for a given tax year and can be quite significant. In addition, retirement savings and pension funds may also be included in the value and can add complexity.

Typically, exit taxes would apply to long-term residents who meet any of the following criteria:

- Average annual income tax of USD211K or more for the past five years (applicable to those who relinquish residency in 2026 and indexed each year). It's important to note that this figure pertains to average tax liability, not income earned.
- An individual net worth of USD2M as of the date the Green Card is relinquished.
- Failure to confirm that you have complied with US federal tax filing obligations for the past five years, confirmed by a specific filing to the IRS. More information is available on the IRS website.

However, it is a complex area, and getting expert legal, financial and accounting advice is recommended before making any decisions.

Exit Tax — Key Takeaways:

- Renouncing US citizenship or a Green Card can trigger a deemed disposal of global assets
- Individuals may be classified as 'covered expatriates', resulting in significant tax liabilities
- Planning ahead can help reduce or manage exit tax exposure
- Exit decisions should be made with both US and Australian tax advice to avoid unintended outcomes

Navigate **property** ownership

Keeping a property in the US

If you decide to keep a property in the US on your return to Australia, you will continue to have US filing requirements on earnings and capital gains on eventual sale, even if you are not a citizen or Green Card holder. However, these taxes can typically be offset against Australian taxes.

If you are intending to return to the US to live or will spend significant time there in the future, it may make sense to retain US-based property; however, from a pure investment perspective, there are some considerations.

The goal of investing is usually to build wealth to achieve a future goal (e.g. retirement). If that is going to take place in Australia, you will need Australian dollars, so it is always best to build the funds where you will need them. Holding overseas assets introduces currency risks. Even if the asset has increased in value in the foreign currency, your eventual return will be impacted by currency movements and the value of the Australian dollar at the time of sale.

Consideration should also be given to how retaining a US property will impact your estate planning. High-net-worth Australians with worldwide assets in excess of USD15M may be assessable for US gift and estate taxes proportionally upon their passing based on the value of their US property, even if they are no longer a US citizen or Green Card holder. Further, succession planning may be more complex, as a US-based will may be required to handle transfer of the property within your estate. If your estate executor is based in Australia, it may add more complexity for them to deal with the US property as part of your estate wind-up.

Getting a mortgage in Australia

Gaining an Australian mortgage while you reside overseas or earn the bulk of your income from a source outside Australia can be complex.

It is a grey area. Some lenders will not lend funds to those who reside overseas or will shade off a hefty percentage of income earned overseas when calculating your borrowing power. If your partner is not an Australian citizen, their income may be shaded or entirely ignored, meaning your borrowing power could be significantly reduced.

In addition, you may not be able to access lender's mortgage insurance (LMI), which typically kicks in if you don't have the minimum 20% deposit. Without access to LMI, you will not be able to borrow without the full deposit. To add to the challenges, the appetite for lending to expats or non-citizens can change regularly, so it can be difficult to know where you stand. If you need to borrow funds to purchase property in Australia, it's best to speak with an Australian mortgage broker who understands the expat landscape to set yourself up for success.



Understand options for moving retirement funds

When leaving the US, you will need to decide what you will do with your 401K or traditional IRA accounts. You can opt to leave the funds in the US within the retirement accounts or withdraw the funds and bring them back to Australia.



Keeping the funds in a US retirement account

This option means that the funds will remain invested and continue to grow for retirement. (Note: Not all fund managers in the US will maintain accounts for overseas residents, so it's important to check whether this is an option with your specific fund.)

You will be able to draw on the funds as an income stream from age 59.5. If you are no longer a US tax resident, you may solely be subject to Australian taxes on the drawdown of your US retirement account (although your provider may apply US withholding taxes, which would need to be claimed back). For Australian tax residents, any drawdown will typically be taxed on the component that represents fund earnings (even those earnings that were accumulated while you were outside Australia).

You typically won't be taxed on the component that was contributed by you or your employer. If you are a US tax resident at the time of drawdown of a 401K or traditional IRA, you will be subject to US income taxes on the entire drawdown (with penalties applying for drawdowns before 59.5).

If you take this approach, it may be advantageous to wait until your other assessable income sources are low, therefore reducing the taxes you will owe.

It's also important to seek advice on the fund and investment mix options in your US retirement account from a US-qualified adviser, particularly if you have sizeable funds within them. If you need a recommendation, Apt has a network of US professional partners who specialise in US asset management and advice and can provide an appropriate referral.

Withdraw the funds and bring them back to Australia

Withdrawing your US retirement account funds before the US retirement age of 59.5 is also an option. If you are a US tax resident, withdrawal of funds from IRAs and 401K before this age will attract US taxes of 10%, plus your marginal tax rate. Roth IRAs withdrawn five or more years after commencements may be tax-free in the US if withdrawn after the age of 59.5. If you are solely Australian tax residents at the time of withdrawal, you may only be taxable at income tax rates based on the growth of your US retirement account (even if you withdraw before age 59.5).

If you opt to release the funds and bring them back to Australia, you can leave the funds in your personal bank account or move them into a superannuation fund. (Note: There is no option to transfer US retirement accounts straight to super. You would need to contribute under the normal super contribution rules.)

Those with ongoing US tax obligations need to take care with any lump sum super contributions. Refer to page 8 for more information.

Plan ahead for **currency transfer**

Impact of foreign exchange on asset value

If you're moving to Australia, it's likely your future goals will be in Australian dollars. While there may be some appeal in retaining USD-denominated assets, this can introduce additional risk when trying to achieve those goals.

When investing in assets denominated in a foreign currency, your returns in Australian dollar (AUD) terms are driven by two factors: the performance of the underlying asset and movements in the exchange rate. This means even strong investment performance can be eroded by unfavourable currency movements.

For example, consider an Australian investor holding USD 1,000,000 that grows by 15% in USD terms. If the AUD/USD exchange rate strengthens from 0.65 to 0.80 over the same period, the value of those assets in AUD actually falls.

Initially: USD 1,000,000 = AUD 1,538,462 (at 0.65)

After growth: USD 1,150,000

Converted at 0.80 = AUD 1,437,500

Despite positive investment performance, the AUD value declines by approximately 6.6%.

This highlights how currency movements can materially impact outcomes and why managing currency risk is just as important as selecting the right investments.



Not just when but how

Currency markets are inherently volatile, influenced by interest rates, inflation, geopolitical events and broader economic conditions. Attempting to predict short-term movements can be both difficult and risky.

While timing does matter, focusing solely on 'when' to transfer can lead to poor decision-making. Instead, it's more effective to think about how you transfer your assets.

Rather than trying to time the market, consider a staged or phased approach—transferring smaller amounts over time. This strategy helps smooth out exchange rate fluctuations and reduces the risk of moving a large sum at an unfavourable rate. It also provides greater certainty and control, rather than leaving your outcomes exposed to short-term currency swings.

Australian dollar v US dollar over 30 years



Compare the costs of transfer

Beyond exchange rate movements, the cost of transferring funds can also have a meaningful impact on your overall outcome. These costs can vary significantly between providers, so it's important to understand what you're paying.

There are typically three key components:

Transfer cost

This is the fee charged to facilitate the transaction. While often expressed as a small percentage, these costs can accumulate—particularly if you are transferring funds regularly.

Exchange rate margin

This is usually the most significant cost. The rate you see advertised is typically the wholesale rate, but providers apply a margin on top of this. Even small differences in exchange rates can materially impact the final amount received, so it's worth comparing providers carefully.

Receiving bank fees

Banks may charge a fee to receive international transfers. While often relatively small, these costs can add up over time. It's worth checking with your bank and considering alternative providers if fees are uncompetitive.

Revisit your **insurance needs** to protect your wealth

Insurances should be reviewed whenever you have a major life event. On your return to Australia, it is also vital that you revisit your personal insurance needs to ensure you are protecting yourself, your finances and your family.

Having the right personal insurances is critical. However, many Australians rely on the default cover provided within their superannuation without understanding whether this cover suits their circumstances. It's important to note that these insurance policies aren't free – you are paying for them out of your super. Many US employers provide insurance covers as part of their employee benefits, but if you change employers on your move home, you may no longer have coverage.

Working with a financial adviser can help you determine your policy needs and ensure you have appropriate cover. The right cover may cost you a similar amount yet offer more appropriate protection. In some cases, it may even be less. You may also have the option to pay for your chosen premium from your super, and we can help you understand the best scenario for you.



Ensure your estate plans remain viable

Estate planning is an integral part of any financial plan, but it can be a little more complex when assets are spread across multiple countries.

Consider concurrent wills to avoid misinterpretation

When it comes to the division of your assets held in more than one country, you typically have two options for your will. You can choose to have an international will, made in line with a convention to which Australia is a signatory, or concurrent wills – separate wills for different jurisdictions in which your assets are held.

In many cases, having separate wills is the best solution. While an international will should be recognised in both the US and Australia, they are open to different legal interpretations in both jurisdictions and can take significantly longer to execute.

When making concurrent wills, it's critical to let your legal and financial professionals know to ensure alignment across the documents, so that your estate plans will be executed according to your wishes.

Understand US estate tax exemptions

Currently, the US applies a lifetime estate and gift tax to citizens and Green Card holders, which can tax worldwide assets at up to 40%.

As it stands (based on 2026 figures), there is an exemption of up to USD15M per individual, so this is not a concern for most people.

Gifts you give during your lifetime can reduce this exemption. Each year, US citizens or Green Card holders can give the following gifts without impacting the threshold:

- up to USD19K to any individual they like
- unlimited amounts to a spouse who is a US citizen
- up to USD194K to a spouse who is not a US citizen.

While estates that pass to a US citizen spouse are exempt from US estate taxes, this is not the case if the beneficiary is a non-US citizen spouse.



US social security in Australia

Can I get US social security if I retire in Australia?

As with most countries, there are restrictions on accessing social security outside the country, but they are not as onerous as you might think. US expats and Australians who have lived and worked in the US but are retiring in Australia may be entitled to US social security.

Do I qualify for the US pension as an expat?

Under the US/Australian social security agreement, Australians residing in Australia can qualify. Therefore, you do not need to be residing in the US, and there is no requirement to be a US citizen or Green Card holder to qualify.

You typically need:

- 40 quarters of coverage, which means 10 years of covered earnings
- to have had earnings of at least USD1640 per three-month quarter of covered earnings.

Under the US/Australia social security agreement, as long as you have six quarters of coverage in the US, for the purposes of meeting minimum qualifying periods only, periods of employment or self-employment in Australia are treated by the US as contributions to the US system.

Is the US pension means-tested?

Unlike the Australian Age Pension, the US retirement pension is not means-tested. This means you can qualify regardless of assets or income, so it may be a suitable option for those who do not qualify for local payments.

Will my superannuation impact my entitlements?

It is important to note that you may have reduced entitlement if you hold a superannuation fund under the 'Windfall Elimination Provision'.

The Windfall Elimination Provision can impact how the Social Security Administration (SSA) 'calculates your retirement or disability benefit. If you work for an employer who doesn't withhold social security taxes from your salary, any retirement or disability pension you get from that work can reduce your Social Security.' This typically includes superannuation funds.



Is the US pension taxed in Australia?

No, under the tax treaty between the US and Australia, US social security payments are not taxed in Australia. It will, however, be treated by the US tax system, and you may need to complete a US tax return. You should receive advice from a tax agent who understands the US system before applying for a US pension.

How do I apply for US social security from Australia?

The payment is processed and administered via the SSA in the US. However, Centrelink can assist with the collection and forwarding of information. Centrelink will collect your personal details (including your US social security number) and forward this information to the Veteran Affairs Office based in the Philippines, which will then send the necessary SSA claim forms.

Seek professional advice

Navigating finances as an expat can seem complex, but it doesn't have to be. Working with a team of professionals who understand both jurisdictions is recommended to ensure you make the right moves.

The expat financial planning experts at Apt Wealth are here to help you reach your financial goals and ensure you live your best life, wherever it takes you. Book a chat today to find out how.



Seek advice from **experts** **who understand** both jurisdictions

Navigating your finances as you plan and execute return to Australia can be complex, but it doesn't have to be. It is critical to seek advice from tax, financial planning, and, in some cases, legal experts who understand both US and Australian requirements as early as possible.

Apt Wealth Partners specialise in financial planning for expats, helping you live your best life, wherever it takes you. We work closely with your other professionals, whether from our network or yours, to ensure you are making the best possible moves at every step.



About the authors



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John is an experienced financial planner with extensive expertise in helping expats protect and grow their finances to reach their goals. He uses this wealth of knowledge to support Australian expats, those migrating to Australia and US citizens living on our shores.

He is known among expat communities for his deep knowledge of wealth building and protection in multiple jurisdictions, helping people live their best lives wherever they reside.



Emily Lanciana **Senior Financial Adviser**

Emily is an experienced financial planner with a passion for helping people define and reach their goals to live their best lives.

She is a Senior Financial Adviser at Apt Wealth Partners and has been recognised as a finalist for Financial Planner of the Year at the 2026 Women in Wealth Awards. At the firm since 2018, Emily has developed specialist expertise in expat financial planning, supporting Australians living abroad to navigate their finances.



Matthew Baker **Personal Mortgage Adviser**

Matthew is an experienced personal mortgage adviser with over a decade of experience in personal and business banking. As an adviser at Apt Wealth Home Loans, Matthew helps a diverse portfolio of clients, from first-home buyers to investors and those looking to refinance.

With deep industry expertise and a customer-first approach, he is well placed to help expats navigate an often complex mortgage landscape.



Dermot Reiter **Senior Financial Adviser**

Dermot is an experienced financial adviser with over a decade in wealth management. As a Certified Financial Planner®, he supports clients with tax-effective investing, superannuation and retirement planning.

He is passionate about building long-term relationships and helping clients make confident financial decisions, particularly when navigating complex cross-border situations.

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It should not be used, relied upon or treated as a substitute for specific professional advice. Apt Wealth Partners (AFSL and ACL 436121 ABN 49 159 583 847) and Apt Wealth Home Loans (powered by Smartline ACL 385325) recommends that you obtain professional advice before making any decision in relation to your particular requirements or circumstances.

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