



**DVA Factsheet DP29**  
***Veterans' Entitlements Act 1986 (VEA)***  
**Types of Disability Pensions**  
**Special and Intermediate Rates**

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## **Overview**

This Factsheet provides a brief description of the following rates of disability pensions payable under the *Veterans' Entitlements Act 1986 (VEA)*:

**Special Rate:** (commonly known as totally and permanently incapacitated – T&PI pension); *and*

**Temporary Special Rate:** (commonly known as temporarily totally incapacitated – TTI pension); *and*

**Intermediate Rate:**

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## **What are the Special Rate, Temporary Special Rate and Intermediate Rate of Disability Pension?**

A disability pension is paid to compensate veterans for conditions (i.e. injuries or diseases) caused or aggravated by war service or certain defence service on behalf of Australia.

Higher rates of pension, such as Special and Intermediate Rates, are known as Above General Rate (AGR) pensions and are payable if you are severely incapacitated and unable to earn a normal wage because of the effects of your accepted condition/s on your capacity to work. In order for you to be considered for an AGR pension, your degree of incapacity must be determined to be at least 70%.

### **Special Rate.**

The purpose of the Special Rate of pension is to provide for severely disabled veterans who are unable to have a normal working life because of a permanent incapacity resulting from their war or **defence service**.

If you are under the age of 65, the Special Rate can be paid if you are:

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- determined as being at least 70% incapacitated due to accepted conditions (or you are receiving or have received the General Rate of pension in respect of pulmonary tuberculosis); *and*
- totally and permanently incapacitated because of your accepted conditions; *and*
- prevented from undertaking your normal remunerative work or any other substantive work in your employment history for more than 8 hours per week, solely because of your accepted conditions, *and*
- suffering a loss of earnings as a consequence.

Where your incapacity from accepted conditions is not the sole cause which prevents you from undertaking remunerative work for more than 8 hours per week, then you may still be eligible to receive a pension at the Special Rate if:

- you are under the age of 65; *and*
- you have been actively and genuinely seeking work (or would have been seeking work); *and*
- your accepted condition/s are the substantial reason for your inability to obtain work.

If you are aged 65 or over at the time you lodge your claim, you must meet the same requirements as those aged under 65, with these additional criteria:

- you must have been working, in your *last paid work* for the same employer (or, if you are self-employed, in the same profession) for a continuous period of 10 years that began before your 65<sup>th</sup> birthday; *and*
- you must have ceased to work in that employment due to accepted conditions alone (therefore, the provisions above about “genuinely seeking work” do not apply).

If you are blinded in both eyes due to your accepted conditions you are eligible for a pension at the Special Rate regardless of your capacity for employment.

### **Temporary Special Rate.**

If you meet all of the criteria for the Special Rate other than permanency of incapacity, you can be paid a disability pension at the Temporary Special Rate. The Commission will determine the period during which your temporary incapacity is likely to continue and will advise what rate of disability pension will apply at the expiration of the Temporary Special Rate period.

### **Intermediate Rate.**

The purpose of the Intermediate Rate pension is to bridge the gap between the General Rate and the Special Rate of pension for veterans who are capable only of engaging in part-time or intermittent employment due to incapacity from their accepted condition/s.

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The eligibility criteria for the Intermediate Rate are the same as for the Special Rate, with the exception of the following:

- you must be prevented from undertaking your normal remunerative work or any other substantive work in your employment history for more than 50% or more of the full-time hours ordinarily worked, or 20 hours per week; *and*
- your incapacity to work due to accepted conditions does not have to be permanent, which is a requirement for Special Rate.

If you are aged 65 or over and you are severely incapacitated due to your accepted conditions and you are not eligible for Special or Intermediate Rate, you may be entitled to the Extreme Disablement Adjustment.

For further details, please refer to [Factsheet DP 30 Extreme Disablement Adjustment](#).

### **How are the Special Rate, Temporary Special Rate and Intermediate Rates of pension determined?**

Pension rates are indexed twice yearly. The Special Rate, Temporary Special Rate and Intermediate rates of disability pension are indexed in a similar manner as the service pension, that is, with reference to the Consumer Price Index (CPI), the Male Total Average Weekly Earnings (MTAWE) and the Pensioner and Beneficiary Living Cost Index (PBLCI). Any increases from indexation are paid automatically, you do not need to contact DVA.

For information on the current rates of Special Rate, Temporary Special Rate and Intermediate rates of pension payable, refer to [Factsheet DP 43 Disability Pension and War Widow's/Widower's Pension Rates and Allowances](#).

If compensation for the same incapacity is received from another source, an adjustment will be made to the amount of disability pension paid to ensure that you are not compensated twice for the same incapacity. For more information on this, refer to [Factsheet DP 82 Disability Pension and Compensation Offsetting](#).

Additionally, all claims and applications for increase that are lodged on or after 1 July 2004 that result in the granting or continuance of Special or Intermediate Rate, will be adjusted if *any* lump sum permanent impairment compensation has been received under the *Safety, Rehabilitation and Compensation Act 1988*. This applies to lump sum compensation for any incapacity, irrespective of whether the incapacity is included in the pension assessment.

### **How do I apply for a pension or for an increase in my rate of pension?**

Information on how to apply for a disability pension or for an increase in your rate of pension is provided in [Factsheet DP 18 Making a Claim/Applying for an Increase in Disability Pension](#).

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If you are receiving a disability pension at General Rate or Intermediate Rate, and you believe that your accepted conditions have worsened, and/or you have developed further conditions which you believe are war **or defence** caused, you can apply for an increase in your rate of pension.

If you believe the rate of disability pension payable at the expiration of your Temporary Special Rate period should be higher, or your circumstances have changed and Special Rate would apply, you can also lodge an application for increase in your rate of pension.

Special Rate pensioners are receiving the maximum rate of compensation under the VEA and, as such, there is no further application for increase.

### **How do I apply to have my decision reviewed?**

If you do not agree with the assessment of the rate of your disability pension, you can appeal to the Veterans' Review Board for a review of the decision.

Time limits apply for lodging appeals. The procedure on how to apply is included in the Department's notification of its decision on your pension rate.

### **More about the pension.**

Disability pensions are not taxed. You do not need to declare it as income in your tax return.

A disability pension *is not* counted as income for the service pension income test. However, *it is* counted as income when assessing eligibility for rent assistance (an addition to the service pension) and for calculating how much rent assistance is to be paid.

The disability pension *is* counted as income for the Age and Disability Support pensions and other benefits claimed under the Social Security Law. However, the Defence Force Income Support Allowance (DFISA) may be paid to you if your Centrelink income support payment is reduced or not payable because of adjusted disability pension.

Information on DFISA is provided in [Factsheet IS 19 Defence Force Income Support Allowance \(DFISA\)](#).

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### **Disclaimer**

The information contained in this factsheet is general in nature and does not take into account individual circumstances. You should not make important decisions, such as those that affect your financial or lifestyle position, e.g. retirement, on the basis of information contained in this factsheet. Where you are required to lodge a written claim for a benefit, you must take full responsibility for your decisions prior to the written claim being determined. You should seek confirmation in writing of any oral advice you receive from DVA relating to complex or important matters.

### **Other Factsheets.**

Other Factsheets related to this topic include:

[DP 28 General Rate](#)  
[MRC 47 Education Schemes](#)

### **More information.**

All DVA Factsheets are available from DVA offices, and on the DVA website at [www.dva.gov.au](http://www.dva.gov.au).

You can phone DVA on 133 254 or free call 1800 555 254 if you are outside a major city.

You can send an email to DVA at: [GeneralEnquiries@dva.gov.au](mailto:GeneralEnquiries@dva.gov.au).