



# Super rules for employers

July 2023

Meeting your super responsibilities means you're contributing to your employees' financial future. Super is also an essential part of running a business, and AustralianSuper is here to help.

## Which employees to pay super

Employers are generally required to make Super Guarantee (SG) contributions for employees who are:

- 18 years old or over, or
- under 18 years working over 30 hours a week
- employed on a full-time, part-time or casual basis (including those who are working in Australia temporarily).

Some contractors may also be eligible for super. Find out more at [ato.gov.au](https://ato.gov.au)

## How much super to pay

The minimum amount of super is known as the Super Guarantee, or SG. The SG rate is currently 11% of your employee's ordinary time earnings. The rate will increase by half a percent each financial year until it reaches 12% in July 2025.

If your employees are covered by an award or employment agreement which specifies a higher super contribution than 11%, you must pay the higher amount.

For employees with straightforward terms and conditions of employment, working out ordinary time earnings should be simple. It becomes more involved for more complex salary arrangements with loadings, allowances or commissions for example.

See the How to calculate ordinary time earnings table on page four for more detail on calculating ordinary time earnings.

There is a maximum amount of earnings for each employee for which you are required to pay SG. This is known as the maximum contribution base and for the 2023/24 financial year, it is \$62,270 a quarter. For more on calculating the maximum contribution base, visit [ato.gov.au](https://ato.gov.au)

## Give your employees a choice of super fund

When a new employee starts and is eligible to choose their own super fund, you need to give them a *Standard Choice* form within 28 days from their start date. When providing information to employees around their choice of fund, you can:

- give factual information, including documents relating to superannuation
- refer employees to information on Government websites, such as the **YourSuper comparison tool**
- refer employees to a licensed financial adviser.

If your employee makes a super choice, it can be processed by your HR/payroll team.

If your new starter doesn't choose a super fund when they start employment, you'll need to check whether they have a 'stapled' fund with the ATO. To identify the super fund your new starter is 'stapled' to, refer to the **ATO's Stapled super funds for employers** webpage for details.

If they have a stapled fund, pay their super into it. If they don't, pay super into your business's default fund or the fund named in the employee's EBA.

## Choose a default super fund for your business

Before you offer your employee a choice of fund, you must have a fund you will pay their super into if they don't choose their own fund or have a stapled fund. This fund is called your employer-nominated fund (or default fund).

Explore the benefits of choosing AustralianSuper as the default fund for your business. Find out more at [australiansuper.com/ChooseUs](https://australiansuper.com/ChooseUs)



## Provide tax file numbers for employees

Once your employee gives you their tax file number (TFN), you must pass this TFN on to AustralianSuper within 14 days of the employee giving you the form or when you make the first SG contribution on their behalf.

You may be fined up to \$2,220 if you're late providing an employee's TFN. Failure to pass on TFNs means that in addition to the 15% tax on employer contributions, employees without a TFN attached to their super are taxed at an additional rate of 32% on 'no TFN' contributions paid into the fund on their behalf.

## Super due dates

To avoid the Superannuation Guarantee (SG) charge (administered by the ATO), super for eligible employees needs to be paid by certain dates. Some employee awards and contracts may require you to pay super more regularly than this.

### ATO quarterly due dates for super payments

Payment period	SG contribution deadline	SGC statement & SG charge due
1 Jul to 30 Sep	28 Oct	28 Nov
1 Oct to 31 Dec	28 Jan	28 Feb
1 Jan to 31 Mar	28 Apr	28 May
1 Apr to 30 Jun	28 Jul	28 Aug

If you don't meet the SG contribution deadline, you may need to lodge a super guarantee charge (SGC) statement the following month by the due date. You'll be liable to pay the ATO's SGC which is made up of:

- the SG shortfall amounts
- interest on the outstanding amount, and
- an administration fee.

For more information, visit [ato.gov.au](https://ato.gov.au)

### For other contributions

The time frame to make other payments is different from when you need to pay SG contributions. You need to pay an employee's other contributions within 28 days of the end of the month in which the amount was deducted from the employee's pay. For example, if an after-tax contribution was deducted in March, you'd need to make the payment by 28 April.

Keep in mind also that the frequency of super payments may depend on whether any of your employees are covered by an award or employment agreement that requires a certain payment frequency. Fair Work Australia may be able to help you check this. Visit [fairwork.gov.au](https://fairwork.gov.au) for more information.

## Use an online payment system to pay super

Government legislation makes it compulsory for employers to use an online payment system, like a super clearing house, to pay super.

### Help with paying super

The QuickSuper\* clearing house offers employers a government compliant, automated online payment system free of charge. QuickSuper allows you to make one payment for all your employees, no matter what super fund they belong to, quickly and securely.

You can also:

- make additional or voluntary contributions
- update business and employee details
- pay super when it suits you. You can choose a different service to make your super contributions, provided it meets the government's minimum data standards.

Learn more about QuickSuper at [australiansuper.com/PaySuper](https://australiansuper.com/PaySuper)

## Keep us up-to-date on staff movements

Keeping us in the know about staff terminations means we don't expect a super payment for them which in turn means you avoid falling behind on your super payments.

Let us know by contacting AustralianSuper on **1300 300 273**.

### What if you don't need to make a super payment?

Your business may be seasonal or there could be other reasons you don't need to pay super for a particular quarter or period of time. If this is the case, you'll need to let us know so we don't think you've missed a payment.

Let AustralianSuper know you don't need to pay super by completing a *Nil Advice* form online at [australiansuper.com/NilAdvice](https://australiansuper.com/NilAdvice)

## Do you have employees working overseas?

If you have an Australian employee who is working overseas temporarily, you may need to continue paying super while they're away.

Visit [ato.gov.au](https://ato.gov.au) for more information.



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## How to calculate ordinary time earnings

The Super Guarantee payments you make towards your employees' super is calculated as a percentage of their ordinary time earnings. So what payments do you include in ordinary time earnings and what do you leave out? The table below could help you work out what to include when calculating ordinary time earnings. For more information visit [ato.gov.au](http://ato.gov.au)

### Salary and wages and ordinary time earnings checklist

Payment types	Counted as:	salary or wages?	ordinary time earnings?
<b>Awards and agreements</b>			
No ordinary hours of work stipulated		Yes	Yes
Overtime where an agreement overrides an award to remove distinction between ordinary and other hours		Yes	Yes
Other overtime		Yes	No
Piece-rates - no ordinary hours of work		Yes	Yes
Shift-loadings - casual		Yes	Yes
<b>Allowances</b>			
Danger allowance		Yes	Yes
Expense allowance expected to be fully used		No	No
On-call allowance for doctors in relation to ordinary hours of work		Yes	Yes
Retention allowance		Yes	Yes
Unconditional extra payments		Yes	Yes
<b>Payment of expenses</b>			
General reimbursement		No	No
Petty cash		No	No
Travel costs		No	No
Unfair dismissal payments		No	No
Workers' compensation - not working		No	No*
Workers' compensation - returned to work		Yes	Yes
<b>Leave payments</b>			
Ancillary leave (jury duty, defence forces reserves leave)		No†	No
Annual leave, sick leave or long service leave		Yes	Yes
Parental leave (maternity, paternity, adoption)		No†	No
<b>Termination payments</b>			
In lieu of notice		Yes	Yes
Unused annual leave		Yes	No
Unused long service leave		Yes	No
Unused sick leave		Yes	No
<b>Bonuses</b>			
Bonus relating to overtime only		Yes	No
Christmas		Yes	Yes
Ex-gratia but relating to ordinary hours of work		Yes	Yes
Performance		Yes	Yes

\* Some awards may require super to be paid. Visit [fairwork.gov.au](http://fairwork.gov.au) for more information

† While not part of salary or wages for SG calculations, these may be salary or wages for income tax purposes. Source: [ato.gov.au](http://ato.gov.au)

## Help is at hand

AustralianSuper is here to help you get on top of your super and help sort out any problems you may have.

Get in touch on **1300 300 273** to speak to a customer service representative or visit [australiansuper.com/employers](http://australiansuper.com/employers)



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