Superannuation –

Guide for Employers

Who pays Superannuation?

In addition to employees' salaries and wages, employers are required to pay super contributions on behalf of all their eligible employees. This compulsory contribution is the superannuation guarantee. It requires you to pay super for your eligible employees, contribute to the correct super funds, and pay contributions by the cut-off date each quarter. The minimum super amount is paid based on the employee's ordinary times earnings. *NOTE: You may also need to pay super for any employees who are visiting Australia on a temporary resident visa*

There is no superannuation guarantee liability for:

- Employee service where under 30 hours per week earned for those under 18 years' old
- Monthly salary or wages are less than $450 for that employee
- For the part of earnings exceeding $54,030 per quarter ($216,120 p.a.) –maximum super contribution base for the 2018/2019 year

How much super do you have to pay?

The rate of superannuation guarantee is being increased from 9% to 12% as per the following table:

Date	Rate
Up to 30 June 2013	9.00%
1 July 2013 – 30 June 2014	9.25%
1 July 2014 – 30 June 2015	9.50%
1 July 2015 – 30 June 2016	9.50%
1 July 2016 – 30 June 2017	9.50%
1 July 2017 – 30 June 2018	9.50%
1 July 2018 – 30 June 2019	9.50%

The Government has announced the rate will remain at 9.50% from 1 July 2014 until 30 June 2021 and then increase by 0.5% each year until it reaches 12% in 2025-26.

We would recommend that as an employer you make sure that your employees are aware of these changes and we would recommend you factor these into your employee salary packages where possible.

When must you pay superannuation?

As an employer, you must pay your superannuation obligations within 28 days of the end of the quarter. These obligations are for all employees, including directors of companies who are drawing a wage. You may pay your superannuation obligations more frequently than this if you so choose.

Changes to personal superannuation contribution deductions

From 1 July 2017 the 10% maximum earnings condition was removed for 2017-18 and future years. Most people under 75 years of age can now claim a tax deduction for personal superannuation contributions made from after tax income, including those aged 65 to 74 who meet the work test.

Reporting Superannuation

From 1 July 2009, any superannuation contributions made for an employee above the rate set by superannuation guarantee will need to be included on the employee's annual Pay As You Go Payment Summary as "Reportable Employer Superannuation Contributions" or "RESC". This includes any salary sacrificed superannuation contributions, and any other contributions where the employee may have influenced the amount of superannuation paid.