Small Business Handbook

Your guide for managing super.

We understand that super can seem complicated. At Sunsuper, we help more than 130,000 businesses across Australia meet their super obligations by making the process easy and flexible.

- Why choose Sunsuper?
- Resources for employers
- Join Sunsuper Employer online

GET STARTED
Follow these easy steps
to make sure your business is set up for super success.

STEP 1
Check you’re paying super to eligible employees

STEP 2
Check you’re paying the right amount

STEP 3
Make payments on time

STEP 4
Check if you need to offer choice of fund

STEP 5
Check you’re paying the right way

STEP 6
Provide the right information

STEP 7
Keep an accurate record

STEP 8
Claim a tax deduction

STEP 9
Help your employees get their super sorted
What is a superannuation guarantee (SG)? SG is the minimum amount super you pay for an eligible employee on top of their wages.

Pay super to all eligible employees

Most of your employees should be covered by the Superannuation Guarantee (SG) legislation.

Generally, employees aged 18 years or more who are paid $450 or more (before tax) in a calendar month and work on a full-time, part-time, or casual basis should receive super contributions.

Employees may not qualify for SG payments if they are under 18 or a private or domestic worker and work 30 hours or less per week.

Important information: You are required to pay SG for permanent and casual employees where they are:

- either at least 18 years old or under 18 and working more than 30 hours per week; and
- earning $450 or more in a calendar month before tax.

Handy tip: Get help determining your employees’ eligibility with the ATO’s SG eligibility decision tool.
Check you’re paying the right amount

The amount of super you must pay employees is set out by law. This is currently set at 9.5% of each employee’s ordinary time earnings.

‘Ordinary time earnings’ (OTE) is generally what employees earn for ‘ordinary’ hours of work, including over-award payments, commissions, certain allowances, and paid leave, but not including overtime in most cases.

**Important information:** The SG rate will increase to 10% on 1 July 2021, and then continue to increase until it reaches 12% on 1 July 2025.

**Find out more about the SG rate increase**

**Additional Contributions:** Some of your employees may ask you to pay an extra portion of their salary or wages into super, either on a before tax (salary sacrifice) or after tax (member voluntary) basis.

While you can’t provide financial advice to your employees, they can easily find out if adding a little extra into their super could reduce their income tax, or get them a government co-contribution payment, to help them achieve their dream retirement.

**Important information:** If you have employees over the age of 65, a Work Test declaration may be required before salary sacrifice and member voluntary contributions can be accepted by the fund.

**Find out more about the Work Test declaration**

It is important to keep written records of all salary sacrifice agreements between you and your employees and you are required to report these amounts on the individual’s payment summary.

**Handy tips:**
- Use the ATO checklist to help calculate OTE.
- Employees can use our contributions calculator.
Step 3

Pay on time

Staying on top of **payment deadlines** and other dates is important. There are penalties and fines for missing SG payments on time.

**Important information:** You must pay SG at least four times a year by the quarterly due dates. If you don’t pay the SG on time, you may have to pay the super guarantee charge (SG charge).

**When to pay:** For SG contributions, we recommend making monthly payments. Employers that are not required to contribute on a monthly basis under an award or industrial agreement can choose to make quarterly contributions.

<table>
<thead>
<tr>
<th>SG quarter</th>
<th>Date payment due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 July – 30 September</td>
<td>28 October</td>
</tr>
<tr>
<td>1 October – 31 December</td>
<td>28 January</td>
</tr>
<tr>
<td>1 January – 31 March</td>
<td>28 April</td>
</tr>
<tr>
<td>1 April – 30 June</td>
<td>28 July</td>
</tr>
</tbody>
</table>

**What happens if you miss your SG payments?** If you miss the SG deadlines, you may have to pay the SG charge. The SG charge isn’t tax deductible.

While we do accept the payment of SG contributions after the due date, you will still be liable to pay the SG charge to the ATO.

**Important information:** Find out more about how the ATO deal with missed and late payments.

If you are audited by the ATO, Sunsuper is unable to return your late payment.

**Handy tip:**

At Sunsuper, we are here to help meet your super obligations as an employer, so you can get back to focusing on your business faster.

- Join Sunsuper **Employer Online** to help make the task of super payments faster and easier.
- Upgrade to Sunsuper clearing house to take the hassle out of making numerous payments to multiple employees with different super funds.
Most employees have the right to choose which super fund will receive their SG contributions.

Generally, you need to offer your employees a choice of super fund if they are:

- employed under a federal award
- employed under a former state award (known as NAPSA)
- employed under an award or industrial agreement that does not require super contributions
- not employed under any state award or industrial agreement.

Sometimes, contractors can also be regarded as eligible employees for super purposes.

**Important information:** When you employ new staff, you'll need to check if they're eligible to choose a super fund.

**Handy tip:** If you're unsure about the award or industrial agreement that covers your employee, visit [fairwork.gov.au](http://fairwork.gov.au)
Check you’re paying the right way

Superstream: All employers are required to send contribution data and payments in an electronic format that the fund is willing to accept. For Sunsuper, this excludes paper, email and cheque methods of payment and data supply.

How Sunsuper can help

Sunsuper clearing house: If you have multiple employees with different super funds, Sunsuper clearing house can take the hassle and hours of repetitive work out of making multiple payments. You can make one single transaction for all your employees – whether they’re a Sunsuper member or not.

→ Learn more about the Sunsuper clearing house

Sunsuper Employer Online: Sunsuper Employer Online allows you to pay your employees’ super by direct debit, EFT or BPAY®. It’s a simple and secure way to manage your super payments online.

→ Learn more about Employer Online

→ Watch a step-by-step video guide to paying super with Employer Online.

→ Register for Employer Online
Provide the right information

Provide Tax File Numbers (TFNs)

Providing your employees’ TFNs is very important. When an employee has given you their TFN, the law requires that you pass it on to their super fund.

It is generally required that you do this when you next make a contribution for any employee who has given you their TFN.

However, if you receive an employee’s TFN within 14 days of sending your contribution, then you have up to 14 days from receiving the TFN to pass it on to the fund.

If you don’t provide your employees’ TFNs, they may pay more tax on their super than necessary and they won’t be able to make any voluntary contributions.

Important information: Your TFN responsibilities are to:

- accept TFNs from your employee,
- respect the privacy of employees who quote you their TFN, and
- pass on their TFN when you next make a contribution to the employee’s superannuation fund.
Important information:
Records need to be easily accessible and kept in English, or in a format easily converted. Records must be kept for five years.

Step 7
Keep an accurate record
You are required to keep records that explain your super transactions, including documents that show how you calculated the amount of super you paid for each employee.

Important information: Records need to be easily accessible and kept in English, or in a format easily converted. Records must be kept for five years.

Step 8
Claim a tax deduction
You can claim a tax deduction for super payments you make for employees in the financial year in which you make them. Contributions are considered paid when the super fund receives them (it’s not enough that the money has left your bank account).

Handy tip:
We suggest you make each payment by 3pm at least 5 business days before the due date to allow sufficient time for the funds to be transferred.
Help your employees get their super sorted

Helping your employees to get on top of their super can be a great way to connect and grow your relationship, whether they’re just starting out or preparing for retirement.

Here are some ways to help your employees who are Sunsuper members manage their super savings:

- **Sunsuper employee toolkit**: This easy-to-use guide can help your employees understand and make the most of their superannuation.
  - Download to email to your employees

- **Mobile app**: Your employees can download and setup the Sunsuper app to manage their future money.
  - Download the mobile app

- **Calculators**: We have a range of calculators to help your employees make the most of their super. After all, it’s their future money.
  - View the calculators

### Forms and documents:
A selection of useful forms and documents for your employees to manage their super.

#### For new starters
- Standard choice of Fund Form
- Join Sunsuper online
- Why choose Sunsuper video
- How Sunsuper compares
- Sunsuper for life PDS

#### For all employees
- Find your other super
- Combine your super
- Choose an investment strategy
- Nominate a beneficiary
- Get a Government boost
- Make an extra contribution
- Get some financial advice
- Take your super with you

#### For retiring employees
- How to access your super
Selecting Sunsuper

Deciding who to partner with for your default super fund is an important decision for both your business and your employees. You need administration ease and operational value. More than just a superannuation partner, Sunsuper offers benefits and services to engage your employees and help you get back to running your business faster.

We manage more than $70 billion in retirement savings for more than 1.4 million members. We also help more than 130,000 businesses across the country manage their super obligations through a range of products and services that are designed to make managing employees’ superannuation easy and efficient.

Being a profit-for-members fund means our customers sit at the heart of everything we do. Sunsuper has no shareholders to pay, which means all profits are returned to members through low fees and industry-leading services.

One of Australia’s most awarded funds: Sunsuper is the award-winning, profit-for-members super fund named SuperRatings’ 2020 Fund of the Year for offering the best-value end-to-end product for our members. Since 2015, we’ve also held Canstar’s highest 5-Stars Outstanding Value rating for outstanding value superannuation.

Important information: Before you offer your employee the option to choose a super fund, the ATO requires that you have a fund you will pay their super into if they can’t or don’t choose their own fund. This fund is called your employer-nominated or default fund.
Sunsuper Employer Resources

**Sunsuper Employer Online** - Join Sunsuper Employer Online to easily manage your employees’ super payments securely online. Employer Online allows you to pay your employees’ super by direct debit or BPAY® payment option.

- Watch a step by step video guide to paying super with Employer Online
- Learn more about Employer Online
- Register for Employer Online

**Sunsuper clearing house** - Upgrading to Sunsuper clearing house can take the hassle and hours of repetitive work out of making numerous payments to multiple employees with different super funds. When you use Sunsuper clearing house, you can make one single transaction for all of your employees – whether they’re a Sunsuper member or not.

- Watch the video to find out more
- Learn more about Sunsuper clearing house

**Forms and documents** - For everything from changing your company details to making a change to your employee super details.

- Download a range of Sunsuper forms and documents.

---

**Important numbers**

- Fund ABN: 98 503 137 921
- MySuper authorised: 98 503 137 921 996
- USI: 98503137921001
- SFN: 150 374 940

---

**Get help with your employer obligations:**

Help is only a phone call away.

- 13 11 84

---

**Events and seminars**: Throughout the year, we hold a range of employer events and seminars to keep you informed about changes in superannuation legislation.

During the events, we have experts on hand to answer any questions you might have on employee financial wellbeing, investment markets and Sunsuper’s employer solutions.

- View our calendar of events
As at October 2019.  For ratings and awards information refer to sunsuper.com.au/ratingsagencies. Past Performance is not a reliable indication of future performance. This document has been prepared and issued by Sunsuper Pty Ltd (ABN 88 010 720 840) (AFSL 228975), the trustee and issuer of the Sunsuper Superannuation Fund (ABN 98 503 137 921) (“Sunsuper”). While it has been prepared with all reasonable care, no responsibility or liability is accepted for any errors or omissions or misstatement however caused. This document is current as at January 2020. This material contains general advice and does not take into account the objectives, financial situation or needs of any particular individual or business. You should consider if the advice is appropriate to your own circumstances before acting on it. You should consider the relevant Product Disclosure Statement (PDS) before deciding to acquire or continue to hold any financial product. We are committed to respecting your privacy. Our formal privacy policy sets out how we do this. For a copy of the PDS or Privacy Policy, please phone 13 11 84 or go to our website.