

JULY 2015

Client eBrief



Institute of Certified Bookkeepers
Making you count



SuperStream is NOW

How will SuperStream benefit Employers

These changes have a range of potential benefits for employers, including:

- the opportunity to use a single channel when dealing with super funds, regardless of how many funds your employees contribute to
- less time spent dealing with employee data issues and fund queries
- greater automation and reduced cost of processing contributions

ATO Lodgement Dates

These dates are from the ATO website and do not take into account possible extensions.

You remain responsible for ensuring that the necessary information is with us in time.

BAS/IAS Monthly Lodgement – May
Activity Statement: 21st June, 2015
final date for lodgement and payment.

BAS/IAS Monthly Lodgement – June
Activity Statement: 21st July, 2015

and payments

- more timely flow of information and money in meeting your superannuation obligations

UPDATE: 1 JULY 2015

When do I have to start using SuperStream?

20 or more employees: must be compliant by 30 June 2015

Philip Hind, ATO's National Program Manager, Data Standards & E-Commerce (SuperStream) said the ATO will extend its compliance flexibility to employers who are not yet SuperStream-ready by four months until 31 October 2015.

19 or fewer employees: SuperStream starts the 1 July 2015 and you have until 30 June 2016 to meet the SuperStream requirements when sending superannuation contributions on behalf of your employee. If you are ready you can begin now

What are my options for meeting SuperStream?

Every business is different, so there's no 'one size fits all' approach to adopting SuperStream

Employers have options for meeting SuperStream – either using software that conforms to SuperStream; or using a service provider who can meet SuperStream on your behalf. We recommend that you start investigating your options now.

Your options may include:

- upgrading your payroll software
- using an outsourced payroll function or other service provider
- using a commercial clearing house or the free Small Business Superannuation Clearing House (if applicable).
- Your default fund may also have its own electronic channel that can be used during the transitional period up to 30 June 2016. This fund can provide you with details about how to comply with the SuperStream using their preferred facilities.

Changes to the Small Business Superannuation Clearing House

1. Employers with fewer than 19 employees can make use of the Small Business Clearing House as their SuperStream solution.
2. From 1 July 2015, all businesses with an annual turnover below the small business entity turnover threshold, currently set at \$2 million, will be eligible to access Small Business Superannuation Clearing House (SBSCH).
3. ATO requires 'employee privacy notification' to use the Small Business Superannuation Clearing House refer to the ATO website

SuperStream Requirements

1) Does the SuperStream Payment have to happen at the same time as the Message is sent?

The Superstream regulations require the message related to the payment of a SuperStream amount to happen in the SAME DAY.

2) Can I send the message when I finish the quarter and the business pay on the 28th?

NO: the Regulations require the payment to be processed on the same day as the message.

final date for lodgement and payment.

BAS/IAS Monthly Lodgement – July Activity Statement: 21st August, 2015 final date for lodgement and payment.

4th Quarter of FY 2015: BAS Lodgement – June Quarter 2015 (including PAYGI) 28th July, 2015 final date for lodgement & payment

When a due date falls on a Saturday, Sunday or Public Holiday, you can lodge or pay on the next business day.

A public holiday is a day that is a public holiday for the whole of any state or territory in Australia

END OF FINANCIAL YEAR - Additional Lodgements

Payment Summaries to be lodged with the ATO by the 14th August, 2015

Taxable Payments Annual Report (TPAR) to be lodged with the ATO by the 28th August, 2015

Due date for super guarantee contributions, for **4th Quarter of FY 2015**, April to June 2015 - contributions to be made to the fund by 28th July, 2015.

The super guarantee charge is not a tax deduction if not paid by these dates.

Refer to the ATO for details regarding any SGC charges applicable if not paid by due date.

Compliance Does Not Mean it is a Tax Deduction

Under SuperStream, all employers are encouraged to use a clearing house (the SBSCH or a commercial clearing house or a default super fund provided clearing house). We agree that a clearing house is the efficient way to manage the payments of SGC. However the employer doesn't get a tax deduction unless the payment is received by the respective *superfunds* by the 28th. So the employer must pay the clearing house in time for the clearing house to then pay the superfund by the 28th.

We will be revisiting SuperStream throughout 2015-2016 to keep all relevant information updated.



Business Information - Payroll & Fairwork

Introduction

There are many legal obligations that an employer is bound by. As soon as you engage employees, you will most likely have tax and superannuation obligations at the least, and there are many more issues to consider when employing people.

It is the legal responsibility of the employer to pay the correct rate of pay, superannuation, taxes, and entitlements, and to abide by all the relevant employment related laws, including FairWork.

Employer Obligations Checklist

- **Modern Awards:** These are industry or occupation-based minimum employment standards which apply in addition to the National Employment Standards (NES). They were created to establish one set of minimum conditions for employers and employees across Australia who work in the same industries and occupations. Almost every worker in Australia is covered by a Modern Award. While there are still some State-based awards in operation, these do not apply to employers and employees covered by the Fair Work Act 2009
- **National Employment Standards:** The NES contain 10 minimum workplace entitlements which have applied to all employers and employees in the national workplace relations system since 1 January 2010, (however only certain entitlements apply to casual employees). These are legally-enforceable minimum employment terms and conditions.
- **Fair Work Information Statement:** All employers covered by the national workplace relations system have an obligation to give each new employee a Fair Work Information Statement before, or as soon as possible after, the employee starts employment.
- **Fair Work Compliance:** It is unlawful to ask people to work on unpaid trials, pay in goods rather than money, pressure employees into agreements, coerce employees or third parties to not exercise their rights,

discriminate, terminate unfairly, and engage in 'sham contracting' arrangements. Heavy penalties apply for breaches of these laws.

- Dispute Resolution: Modern awards generally impose a process to assist in the resolution of disputes that arise about matters under the award or in relation to the NES. If the dispute can't be resolved at the workplace level, the matter can generally be referred to the Fair Work Commission.
- Record-Keeping: According to the Fair Work Ombudsman (FWO), records need to be kept for 7 years, while the ATO says 5 years. Err on the side of caution and keep ALL payroll related records for 7 years
- Superannuation Choice Form: An employer must provide a Superannuation Choice Form to all employees on commencement of employment and you must abide by that choice. If the employee does not make a specific choice, you must pay superannuation into a default superannuation fund.

Other Employment Obligations

Being an employer means more than simply paying your employees. There are various government bodies that you must report to.

There are also various laws that govern your responsibilities as an employer.

FairWork governs many areas related to employment, for example:

Employee entitlements such as: annual leave, hours of work, flexibility arrangements, anti-bullying laws, penalty rates, working on public holidays and much more.

Examples of other areas covered are employment contracts, unfair dismissal, termination of employment, change of business ownership and record keeping obligations.

You May Need to Pay All or Some of these Taxes & Expenses

- PAYG Withholding to the ATO
- Superannuation to a Clearing House or Superannuation Fund
- Fringe Benefits Tax to the ATO
- Payroll Tax to the State Revenue Office
- Workers Compensation Insurance

You May be Governed by All or Some of These Laws

- FairWork Act 2009
- Pay As You Go Act 1999
- Superannuation Guarantee Act 1992
- Workplace Health and Safety State laws
- Payroll tax State laws
- Long Service Leave State laws
- Workplace Relations Act 1996
- Privacy Act 1988
- Freedom of Information Act 1982
- Independent Contractors Act 2006
- Anti-Discrimination Act 1977
- Workplace Gender Equality Act 2012
- Child Support Act 1989
- Paid Parental Leave Act 2012
- ...And there may be other laws, relevant to your state or industry, that are applicable to you.

Further Information

[FairWork](#)

[Australian Taxation Office](#)

[Department of Human Services](#)

[Guide to Employing People](#)

Disclaimer: All or any advice contained in this newsletter is of a general nature only and may not apply to your individual business circumstances.

For specific advice relating to your specific situation, please contact your accountant or contact me for further discussion.

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