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SuperStream

What is it and what do Employers need to do?

In the past, most employers had to process employee superannuation contributions to numerous funds in differing formats. Under SuperStream, employers have a simple and consistent way of making contributions on behalf of their employees. It should reduce the amount of time spent by the people handling your payroll function.

In order to get ready by the 30 June 2016 deadline for small employers (19 or fewer employees), there are 3 steps that employers must undertake in the next 6 months.

Step 1 – Choose an option for paying and sending employee information

There are basically 4 systems employers can use to meet their obligations.

1. Payroll system – If you utilise a widely used commercial accounting package, your existing payroll system will probably be SuperStream compliant already. Some payroll systems cover data and payments, and some are data only, which means employers may need to make payments to each fund separately. Either way, the payment must be made electronically (EFT or BPAY).
2. Your super fund's online system – Large super funds have online payment systems you can use. Employers need to check with their fund to determine their current level of compliance.
3. A super clearing house – A clearing house pays super to your employee's funds for you. You send a single electronic payment to the clearing house, together with the contribution data for all your employees, and the clearing house does the rest.
4. A messaging portal – The portal can convert the contribution data for your employees to a SuperStream compliant format and send it to the relevant funds for you. You still need to make one electronic payment.

JK suggestion: Confirm that your accounting payroll package is fully compliant with SuperStream in that it allows both data and payments to be handled, or if it is a data only system that requires you to make manual payments to each individual fund. If in doubt, feel free to contact us to discuss.

Another easy option if your turnover is under \$2m, is to use the ATO's Small Business Superannuation Clearing House. The online service is free and is designed to help startup, micro and small business owners meet their superannuation guarantee obligations. To take advantage of this service, employers should register via the [Clearing House](https://www.ato.gov.au/business/super-for-employers/paying-super-contributions/small-business-superannuation-clearing-house/) online.

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Step 2 – Collect information and update your records

To use SuperStream, you'll need to collect some new information from your employees, in addition to the information you already use to pay super. Once you have this information, enter it into your system, along with the other details you use to pay super, and you're ready to use SuperStream.

Ask your employees for the following information, if you don't have it already:

- Employee tax file number
- Fund ABN
- Fund unique superannuation identifier (USI)

If your employees have a self managed super fund (SMSF), they need to give you slightly different information:

- Employee tax file number
- Fund ABN
- Fund EFT bank account details
- Fund electronic service address

Feel free to direct any employees to the following ATO website if they would like further details regarding their [SMSF electronic service address](https://www.ato.gov.au/Super/Self-managed-super-funds/Setting-up/Get-an-electronic-service-address/) (https://www.ato.gov.au/Super/Self-managed-super-funds/Setting-up/Get-an-electronic-service-address/)

An electronic service address is not required for an employer contributing to their own SMSF.

JK suggestion: Employees can find their fund's ABN and USI on their latest super statement or by calling their fund.

Step 3 – Use SuperStream

Start using SuperStream as soon as possible. Employers with 19 or fewer employees should be SuperStream ready by 30 June 2016 (larger employers should already be using SuperStream).

JK suggestion: We recommend making your first SuperStream payment no later than March 2016. This will give you time to make several payments and ensure your system is running smoothly before the 30 June 2016 deadline. It may take time to collect the information and get used to the new system. If any information is incomplete or incorrect, the super payment is likely to be rejected.

For more information regarding SuperStream and frequently asked questions – we suggest referring to the ATO website - [Employer SuperStream FAQs](https://www.ato.gov.au/Super/SuperStream/Employers/Employer-SuperStream-FAQs/) (https://www.ato.gov.au/Super/SuperStream/Employers/Employer-SuperStream-FAQs/)

SMSF specifics - For those clients who have self managed super funds, the impact of SuperStream is likely to be minimal. Your SMSF doesn't need to use SuperStream if it doesn't receive any employer contributions, or the only contributions are from a related-party employer. SuperStream also doesn't apply to personal contributions made by members or rollovers to, or from, an SMSF.

Should you have any queries in relation to SuperStream, please do not hesitate to contact us on 07 3367 1994. We are happy to review your payroll file and accounting package to confirm any changes needed.

Kind Regards,
JudsonKoman

