



PAYING SUPERANNUATION ALL ABOUT SUPERSTREAM

SUPERSTREAM IS THE STANDARD FOR PAYING SUPERANNUATION CONTRIBUTIONS

SuperStream is the standard for processing superannuation data and payments electronically for the entire superannuation industry. It provides a consistent, simplified way for employers to make super contributions in a standard format on behalf of their workers. Information is transmitted consistently between employers, super funds, service providers and the Australian Tax Office (ATO).

SUPER AND YOUR BUSINESS

If your business employs staff, you have an obligation to make superannuation contributions for them. The current minimum contribution is 9.5% of each eligible employee's ordinary times earnings, payable at least quarterly.

These superannuation contributions must be made via SuperStream as the standard payment method, regardless of how many people your business employs.

NOTE: Super contributions aren't compulsory for a business classed as a sole trader or partnership.

ABOUT SUPERSTREAM

SuperStream is a Government initiative designed to make the 'back-office' operations of super funds more efficient. It affects business-to-business interactions from payroll and payment processing to member administration and work flow systems.

The SuperStream standard involves sending and receiving super contributions electronically in a defined format, with linked data and payments.

SuperStream has been progressively introduced for employer businesses since July 2014. The Australian Tax Office (ATO) has been flexible in allowing businesses to familiarise themselves with SuperStream, however from 1 July 2016 all businesses must be SuperStream compliant. Here's how your business becomes SuperStream-ready.

1. CHOOSE AN OPTION

You need to assess and choose the best payment processing option for your business from:

- a payroll system that meets the SuperStream standard
- your super funds' online system
- a superannuation clearing house
- a messaging portal

Most accounting software solutions with built-in payroll systems are SuperStream compliant, but this may mean upgrading to the latest version of your package.

Large superannuation funds have online payment services, so it's best to check with your funds.

If your business has 19 or fewer employees, or an annual turnover of less than \$2 million, you can use the ATO's Small Business Superannuation Clearing House (SBSCH). It's free to use and registering your business is easy at www.sbsch.gov.au or by contacting **1300 660 048**.

A messaging portal will convert data to a SuperStream compliant format, so you will only need to make one electronic payment for all your employee's superannuation contributions each quarter.

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2. COLLECT INFORMATION

You'll need to collect information from your employees and enter it into whichever payment processing system you've chosen for SuperStream. This information includes each current employee's:

- Tax File Number (TNF)
- Super Fund Australian Business Number (ABN)
- Super Fund Unique Superannuation Identifier (USI)

For employees with a self-managed super fund (SMSF), you will also need to collect:

- the name of the SMSF
- the SMSF's bank account details - account number and BSB
- the SMSF's Electronic Service Address (ESA)

Your employees can find their super fund's ABN and USI on their latest superannuation member statement or by contacting their fund. You can also find a superannuation fund's ABN and USI at www.superlookup.gov.au.

Once you've collected this information, you'll need to update your payroll records. If you're using a clearing house, bureau or other external provider, you'll need to arrange for them to update their records.

3. START SUPERSTREAM

You should be ready to start using SuperStream to process your staff superannuation contributions. For further information, visit ato.gov.au/SuperStreamchecklist.

HOW LONG DOES IT TAKE TO PROCESS CONTRIBUTIONS?

Generally an employee's super contribution is counted as being received the day the fund receives it. If you are using a clearing house to make contributions, check the terms and conditions as some clearing houses take several days to process.

If you use the ATO's Small Business Super Clearing House, your super guarantee and SuperStream obligations are met on the date the SBSCH accepts them (so long as the fund does not reject the payments).

ARE THERE ANY EXEMPTIONS?

There are no general exemptions for SuperStream. However, the ATO will consider hardship cases on an individual basis. You don't need to use SuperStream for:

- contributions to your SMSF if you're a related party employer.
- personal contributions – for example if you're a sole trader and you contribute to a super fund yourself.

I ALREADY PAY SUPER CONTRIBUTIONS USING EFT OR BPAY. AM I SUPERSTREAM COMPLIANT?

No, even though you are already paying electronically, you may not be sending the information about the contribution required under SuperStream to the ATO and/or the super fund. The contribution information linked with each payment for each employee tells the fund exactly how to allocate the contribution, while also reporting this data to the ATO.

WHAT IF I DON'T GET THE INFORMATION I NEED FROM EMPLOYEES WITH A SMSF?

If an employee with a SMSF does not provide you with the information you need, you may be able to redirect the payments to your default fund. You must tell the employee what information you need and give them a reasonable time period to respond.

If you don't receive it, have the employee complete a Standard Choice Form and return within 28 days. You can download a Standard Choice Form at www.ato.gov.au/Super/

If you still don't have the information you need, you may send the contribution to your default fund.

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