It's in your hands

Understanding your super obligations

Super's important, but there's a lot to get your head around. Lucky we're here to support you along the way. Here are the key things you need to know.

Knowing your responsibilities

Super plays a big role in your employees' future and as an employer you have a legal obligation to pay their super. From knowing how much this is, to nominating CareSuper as your default fund, we give you the information you need to fulfil your obligations.

Who do I need to pay?

Under super guarantee (SG) legislation, you're responsible for making super contributions for your employees. Let's take a closer look at who you must make SG payments for.

Employees 18 and over who:

- work full-time, part-time or on a casual basis

Employees under 18 who:

- work 30 hours or more in a week

Are contractors employees?

Yes. Contractors are considered employees for super purposes. Since they're paid wholly or mainly for their labour, you'll need to make SG contributions for them.

How much do I need to pay?

The amount you contribute is a percentage (the SG rate) of your employee's ordinary time earnings.

The SG rate increased from 11.5% to 12% on 1 July 2025.

What are ordinary time earnings?

This refers to earnings paid to employees for their ordinary hours of work. It can include over-award payments, bonuses, shift allowances, commissions and paid leave.

What's the maximum contributions base?

For any given quarter, there's a maximum limit on the SG contributions you're required to make for an employee. For the 2025–26 financial year, the maximum contribution in any quarter is $7,500—which is 12% of the quarterly maximum contribution base of $62,500.

For more information on how much you need to pay, it's best to get in touch with the Australian Taxation Office (ATO).

When are SG payments due?

By law, you need to make SG payments at least quarterly. They must be received within 28 days of the end of the quarter—that is, by 28 January, 28 April, 28 July and 28 October.

What's SuperStream?

SuperStream is a government initiative for processing super data and payments electronically. All employers are required to send super payments and employee information electronically in a standard SuperStream-compliant format.

Our clearing house (QuickSuper)

Our clearing house lets you submit your employee contributions in line with SuperStream requirements. Instead of dealing with multiple funds and payments, you can streamline your payments with one file and one transaction.

All you need to do is upload your data file and make an EFT to the account advised. The system will distribute all contribution details and payments to all the super funds, including both default and choice contributions.

For more details, visit **caresuper.com.au/how-make-super-payments**.

The Small Business Superannuation Clearing House

This free ATO service helps small businesses with 19 or fewer employees or an annual turnover of $10 million or less make SuperStream-compliant super contributions. For more information, call the ATO on 1300 660 048 or visit ato.gov.au.

Are there penalties for not making payments?

If you don't make your SG payments at least quarterly, you may need to pay the SG charge. The SG charge is paid to the ATO and generally includes the amount of unpaid contributions, an administration fee, penalties and interest. These amounts are paid to the ATO and aren't tax deductible.

Even though we may accept late contributions, it doesn't mean you've met your SG obligations. However, you might be able to use those contributions to offset the amount of SG charge which you're required to pay the ATO. There are a number of conditions you'll need to meet. For more details about offsetting late contributions against the SG charge, visit ato.gov.au.

Choice of fund

If your employee chooses an eligible super fund, you'll generally need to pay their super contributions into that fund.

In some cases, your employees may be employed under an industrial award or agreement, and can't choose their super fund. If so, it's best to check the award or agreement for details.

If your employees are eligible to choose their fund, you're obliged to:

- provide them with a *Standard choice* form within 28 days of them starting employment with you
- pay SG contributions by the cut-off date
- action their request within two months, if they provide you with written notification of their chosen fund
- accept one change of fund per employee every 12 months if they request it

Don't forget, if you don't offer choice to your employees, you might be penalised.

There are situations where you can reject your employee's choice, including where:

- the fund chosen isn't an eligible choice fund
- they haven't provided you with details about the chosen fund and how you can pay SG contributions into it
- they haven't provided you with a written trustee statement that the fund is a resident regulated super fund and accepts SG contributions
- they haven't provided ATO evidence that their self-managed super fund is regulated
- they've chosen another fund during the preceding 12 months

For more details, visit ato.gov.au.

Stapling and default funds

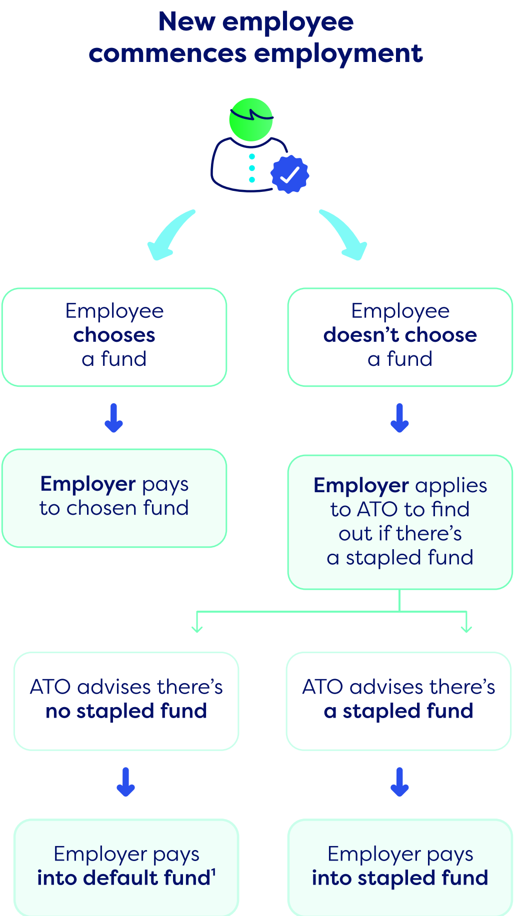
If your new employee doesn't choose an eligible fund, you must search ATO Online services to see if they have an existing super fund. If they do, you'll need to pay SG contributions into that fund.

This can only happen after your employee has started working for you and you've submitted a *Tax file number declaration* form or Single Touch Payroll pay event linking them to you.

If your employee doesn't choose a fund and they don't have an existing super fund in ATO Online services, you can pay SG contributions into your default MySuper fund.

Most businesses are required by law to make contributions to a default fund which has received MySuper authorisation from the Australian Prudential Regulation Authority (APRA). CareSuper's Balanced option is our authorised MySuper product, meeting this requirement.

For more details, see our *Member PDS* available at **caresuper.com.au/pds**.



[1]Employers can pay into a fund other than default if it satisfies the choice of fund requirements.

Want to nominate CareSuper as your default fund?

Complete our *Employer details* form to make CareSuper your default fund. As your default fund, we'll open a new account for eligible employees who don't make a choice of super fund or chooses one incorrectly. You can then pay their SG contributions into your employee's new CareSuper account on their behalf.

Cooling-off period for new employers

New employers who open an account with CareSuper for an employee for the first time have a 14-day cooling-off period. This period starts on the date you receive confirmation of your first contribution paid to us. During this time, you can decide if CareSuper is the right choice for you and your employees.

During the cooling-off period, there's no charge for cancelling your registration as an employer. If you choose to cancel, we'll transfer any contributions you've made to another fund you nominate, unless your employee hasn't chosen to have their contributions paid to CareSuper. The contributions will be adjusted for any tax we've paid on behalf of your employees, as well as any increase or decrease in the value of their investments. We'll refund any administration fees and costs charged directly to your employee's accounts. However, the investment fees and costs and transaction costs included in the unit price for determining the value of investments will apply.

Cancelling your employee's membership will also cancel any insurance cover they may have.

You can request to cancel your registration by writing to:

Email **info@caresuper.com.au**

Write to GPO Box 1547, Hobart TAS 7001

New employees who join CareSuper through their employer don't receive a cooling-off period.

Some FAQs about tax

When it comes to super, tax can be tricky to understand. To make things easier, here are a couple of our frequently asked questions and answers.

Are there tax deductions for employer contributions?

Yes. You're able to claim all employer (concessional) contributions made on behalf of employees to a complying fund like CareSuper as a tax deduction, including salary sacrifice contributions. To qualify for a tax deduction, your SG contributions must be paid to your employee's super fund by the quarterly due date for SG contributions. There other criteria if the employee is aged over 75.

What are salary sacrifice contributions?

It's an arrangement between you and an employee to pay more than the SG amount into the employee's super. Salary sacrifice contributions are tax deductible for you.

Please note you'll need to include additional super contributions, such as salary sacrifice, as reportable employer superannuation contributions on employees' payment summaries or report them as such via Single Touch Payroll. SG contributions aren't reportable employer super contributions.

Do I need to provide my employee's tax file number (TFN)?

Yes. If your employee has given it to you and you haven't passed it on to us within 14 days:

- you may face penalties by the ATO
- your employee may be liable to pay additional tax
- we may not be able to accept after-tax contributions, including member contributions paid to us by an employer from their salary
- it might be difficult to locate or amalgamate the super benefits of employees in the future, or to pay any benefits they're entitled to

We'll only use TFNs provided to us for legal purposes, including managing the administration and taxation arrangements as permitted by law. This could change in the future. Otherwise, we treat TFNs as confidential.

All our forms and publications are available at caresuper.com.au/forms or call us, and we'll send you a copy.

Here to help

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