

Merry Christmas and a Happy New Year from the team at Fundzcorp!

Welcome to the December 2014 Employer Super update.

A quick reminder that the end of the quarter is approaching, kindly ensure all super payments are received before the respective due dates.

If you pay your super monthly, please have your payments sent to our office or paid online no later than **Monday 19th January, 2015** to ensure payments are deposited with the respective funds.

For our quarterly super clients, your super remittance reminder will be forwarded to you prior to Christmas and payments should be made to our office or electronically prior to **Monday 19th January 2015**.

How much to pay and when to pay it

You need to contribute **9.5%** of your eligible employees' ordinary time earnings to a complying super fund. **All** Compulsory super guarantee contributions must be made by the quarterly deadlines:

Quarter	Period	Payment cut-off date
1	1 July - 30 September	28th October
2	1 October - 31 December	28th January
3	1 January - 31 March	28th April
4	1 April - 30 June	28th July



SG increase changes

We've previously advised of an increase in the Superannuation Guarantee rate, starting with a 0.25% increase (from 9.25% to 9.5%) which took effect from 1st July 2014. The SG rate will then increase over a 10-year period, to 12% by July 2025. (see table).

SG Rate Increase			
Financial Year commencing	SG % Change	Financial Year commencing	SG % Change
1 st July 2014	9.5	1 st July 2020	9.5
1 st July 2015	9.5	1 st July 2021	10
1 st July 2016	9.5	1 st July 2022	10.5
1 st July 2017	9.5	1 st July 2023	11
1 st July 2018	9.5	1 st July 2024	11.5
1 st July 2019	9.5	1 st July 2025	12

Disclaimer: The information is intended to be of general nature only and, as such, does not take into account any individuals personal financial situation, objectives or needs. It is intended as a guide only and is based on proposed policy announcements as at December 2013. We believe the information contained in this update has been obtained from reliable sources but we do not accept responsibility for any errors, omission or inaccuracies. It is important that you consider these matters or consult your financial adviser before you make any financial decisions.

Your one stop contribution shop is here. Introducing the ATO Superannuation Clearing House!

The clearing house lets you pay your super contributions in one transaction to a single location. It is designed to make the payment process easier, reducing red tape and compliance costs. You simply register your employees' super fund details and, through the clearing house, then distribute the contributions to their various super funds.

Key features

- You make one secure electronic transaction and we distribute the super contributions to your employees' nominated super funds
- Each time you make a contribution, your employees' preferences are already included in the transaction details, so you only need to enter the contribution amounts.
- Using the clearing house minimises the time and paperwork involved in paying contributions to numerous super funds. You can choose to nominate a regular contribution amount for an employee.
- Paying this way helps you meet your super guarantee obligations, reducing red tape and associated compliance costs.
- You can obtain a record of your contribution history whenever you need it
- Once set up, it only takes a few minutes to process payments

Who can use the Clearing House

You can use this service if you are a small business with 19 or fewer employees. An employee is defined as an individual who is employed on a full-time, part-time or casual basis. The ATO monitor your eligibility for the Clearing House each time you use the service.

Register your small business

You can choose to register for the Small Business Superannuation Clearing House. Registering will allow you to pay your employee superannuation contributions in one secure electronic transaction.

We can register you and organise a user ID and link to set-up your password. Please have the following ready in order to register your business:

- Australian Business Number (ABN)
- Email address.

Find out more

[Clearing house reference guide](#)

SuperStream Update –

From 1 July 2014, employers with 20 or more employees will see this simplified when they begin to make contributions using SuperStream. They have up to 12 months to make the change.

From 1 July 2015, small employers (with 19 or fewer employees) will start making contributions using SuperStream and will have up to 12 months to make the change.

SuperStream improves the productivity of the superannuation system by introducing common data items, electronic communications, simpler channels and faster business processes for sending employer contributions.

Find out more

[SuperStream compliance statement – employers and SMSFs](#)

OR

[Contribution data for SuperStream](#)

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New Super Contribution Limits: 2014/2015 – Be careful not to exceed the cap

Superannuation contributions can be divided into two types — concessional (before-tax) and non-concessional (after-tax). Each type of super contribution is subject to a contributions cap.

Limit (cap)		Tax rate if you go over the cap
Concessional	\$30,000 (if under 50 years in 2014–15)	Amounts over \$30,000 will be added to your assessable income and taxed at your marginal tax rate
Concessional	\$35,000 (if turning 50 years old or older in 2014–15)	Amounts over \$35,000 will be added to your assessable income and taxed at your marginal tax rate
Non-concessional	\$180,000	49% for amounts over \$180,000 However, the government has proposed that amounts over \$180,000 may be withdrawn, along with any associated earnings. The earnings would be taxed at your marginal tax rate. This proposal has not yet become law.

If you go over the super caps

From 1 July 2013, if you go over the concessional cap, your excess contributions will be included in your assessable income and taxed at your marginal tax rate (plus an interest charge).

To assist you in paying the additional tax bill, you may release up to 85% of the excess concessional contributions from your super fund. You can only release up to 85% because 15% contributions tax has already been paid by your super fund. Released contributions will no longer be counted as non-concessional contributions. You will receive a 15% tax offset for this in your tax return.

If you go over the non-concessional cap, you will receive an excess non-concessional assessment.

You can go over the non-concessional cap by up to two years' worth of contributions without penalty if you are under age 65 in the relevant financial year. This is called the bring forward provision. The cap amount that applies is three times the non-concessional contributions cap for the financial year in which you make the contribution.

The government has proposed that non-concessional contributions over \$180,000 may be withdrawn, along with any associated earnings. The earnings would be taxed at your marginal tax rate. This proposal has not yet become law.

Avoiding extra tax

Check your contributions regularly to make sure you aren't going to exceed the caps. When you work out how much you're contributing in any financial year, remember that contributions count when they are received by your fund – not when the payment was sent.

If you salary sacrifice to super and you think you're at risk of exceeding the cap, consider reducing your salary sacrifice amounts.

Help your employees consolidate their super today!

Consolidating super is easy and can also prove to be cost effective to your employees' account balance at retirement. Plus, less super accounts mean less administration for you and increased business efficiency.

If your employee has lost super, they can find it by visiting the ATO SuperSeeker website at www.ato.gov.au/superseeker.

If an employee has multiple super funds, they can consolidate them into their chosen fund by completing a *Request to transfer whole balance of superannuation benefits between funds* form.

You will find this form on the SuperSeeker website, or alternatively, contact our office and we will be only too happy to assist.

Fundzcorp Financial Planning Services offered include...

- **Superannuation**, including **Self-Managed Super**, Employer Plans, Retirement Income Streams & Super Consolidation.
- **Managed Investments**, including Investment Strategies, Risk Profiling, **Term Deposits** & Fundzcorp Money Market Term Platform.
- **Direct Share Service** Inc Review of Your Existing Share Portfolio.
- **Personal Protection**, including Life Cover, Total & Permanent Disability, Trauma & Income Protection
- **Personal Cash Flow** Monitoring Including Planned Retirement Funding.
- **Complimentary** Initial Meeting to Review your Personal Financial Circumstances.

Staff Changes:

We are pleased to announce the appointment of **Connie Sorace** in our Customer Services Support Team at Fundzcorp. Connie brings many years of customer service experience to our organisation and we look forward to introducing Connie to you at your next meeting or call to Fundzcorp.

We are pleased to welcome Connie to our dedicated service team.

Also, feel free to check us out online at <http://www.fundzcorp.com.au>

*Please note that our office will be closed for the Christmas Holidays
from 1pm Tuesday December 23rd and will reopen at 9am on Wednesday January
14th 2015*

WISHING YOU AND YOUR FAMILY A VERY MERRY CHRISTMAS

AND A SAFE & PROSPEROUS NEW YEAR!

Best Wishes from the team at

