

# Welcome to the December 2015 Employer Super Update

The team at Fundzcorp wishes you a Merry Christmas and a Happy and Prosperous New Year!

We would like to **thank you** for your continued support and look forward to working with you in the New Year. We welcome you to visit our website at: [www.fundzcorp.com.au](http://www.fundzcorp.com.au)

You can also follow us on Facebook  or Twitter 

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 **Friday 22<sup>nd</sup> January, 2016** to ensure payments are deposited with the respective funds.

**For our quarterly super clients**, your super remittance reminder will be forwarded to you in preparation for payments to be made to our office or electronically prior to **Friday 22<sup>nd</sup> January 2016**.

## 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:

	1 July - 30 September	28th October
	1 October - 31 December	28th January
	1 January - 31 March	28th April
	1 April - 30 June	28th July



## New Superannuation Consolidation Service

Did you know that most Australian employees have more than 2 or 3 super funds still lying around being eroded by fees and charges. The financial impact of not consolidating super funds into one account can be dramatic long term as well as potentially being lost to the ATO.

This is where we can help by contacting us at Fundzcorp we can compare Super funds and trace any lost super that may be lying dormant being eroded away over time. **Let us assist you by simply contacting us to discuss your situation could literally be saving you thousands over the long term.**

## Are you over 55 or Approaching 60?

If you are either 55 or approaching 60, now is the time to discuss restructuring your retirement goals as you approach retirement at age 65.

Transition to Retirement is an extremely effective way to help you minimise tax and create wealth over the medium to long term. At Fundzcorp we can effectively show you how you can potentially dramatically improve your retirement savings goals by simply restructuring your pay by using your super.

**For a no obligation discussion on this exciting strategy call us.**

### Disclaimer

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## How is your Risk Profile?

Many investors never take the time to review how their investments are allocated in line with their chosen investment risk profile.

The consequences of getting this part wrong can be quite devastating to your portfolio as well as creating more risk to your retirement savings over the medium to long term.

At Fundzcorp we encourage that our Employer's members review and revisit their investment portfolios at least every 3-5 years, as you know the markets can change dramatically and so can one's attitude to take on more or less investment risk.

**To find out more about this important Wealth topic contact us at Fundzcorp for further assistance.**

## SG Payment Rates

The SG rate will 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 <sup>st</sup> July 2015	9.5	1 <sup>st</sup> July 2021	10
1 <sup>st</sup> July 2016	9.5	1 <sup>st</sup> July 2022	10.5
1 <sup>st</sup> July 2017	9.5	1 <sup>st</sup> July 2023	11
1 <sup>st</sup> July 2018	9.5	1 <sup>st</sup> July 2024	11.5
1 <sup>st</sup> July 2019	9.5	1 <sup>st</sup> July 2025	12
1 <sup>st</sup> July 2020	9.5		

## A More Efficient Way to Meet Your Super Obligations through 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

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## 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.

## We Can 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

Contact the Super Team @Fundzcorp

## SuperStream Update –December 2015

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. Compulsory compliance is expected by July 1<sup>st</sup> 2016.

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.

We suggest not leaving it until the 11th hour, contact us in January 2016 to avoid the EOY rush.

## Super Contribution Limits: 2015/2016 – 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 2015–16)	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 2015–16)	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.

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## If you go over the super caps

**From 1 July 2015, 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](http://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.
- **Estate Planning Referral Service**

## Staff Changes:

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

**We are pleased to welcome Anna to our dedicated Client Service team.**

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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 Wednesday December 23rd and will reopen at 9am on Wednesday January  
13th 2016*

***WISHING YOU AND YOUR FAMILY A VERY MERRY CHRISTMAS AND  
A SAFE & PROSPEROUS NEW YEAR!***

***Best Wishes from the team at***



*“Providing financial  
solutions, for a better  
tomorrow”*



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