SML Bookkeeping & Tax

Superannuation Guarantee for Employers

KS-003

What employers need to understand about super obligations, payroll records and payment timing.

TOPIC	PREPARED BY	FORMAT
Small business education	SML Bookkeeping & Tax	Knowledge Sheet

Key message

Superannuation Guarantee is a key employer obligation. Employers need to identify eligible workers, calculate super correctly, pay it to the correct fund by the required time and keep clear records. Late or incorrect super can create additional ATO reporting and cost.

Superannuation Guarantee - employer workflow

1 **Identify workers**
Check which workers may be eligible for super before processing payroll.

2 **Calculate correctly**
Use the current SG rate and the correct earnings base.

3 **Pay to fund**
Pay to the correct fund by the required time.

4 **Keep evidence**
Keep reports, receipts and calculation records.

What is Superannuation Guarantee?

Superannuation Guarantee is the minimum super contribution employers generally need to make for eligible workers. It is connected to payroll, worker classification, ordinary time earnings and payment timing.

Core employer responsibilities

- Check which workers are eligible for super.
- Use the current official Superannuation Guarantee rate.
- Calculate super on the correct earnings base.
- Pay contributions to the employee nominated fund or stapled fund where applicable.
- Keep records showing how super was calculated and paid.

Areas that need care

- Contractor arrangements can still create super obligations in some cases.
- Bonuses, allowances, overtime and leave payments may need review.
- Late super payments can trigger extra compliance steps.
- Changing payroll software does not remove the need to keep historical records.
- Super rules can change, so current ATO guidance should be checked before acting.

Records to keep

- Employee payroll reports.
- Super calculation reports.
- Super clearing house or fund payment receipts.
- Employee fund choice records.
- Notes and advice received for unusual worker arrangements.

Example

A construction business pays employees and some contractors. The owner should not assume contractors are automatically outside super rules. The accountant should review the contract, work arrangement and payment structure before deciding how super applies.

Common Questions

Is super only for full-time employees?

No. Super may apply to different worker types depending on the facts. Contractor and casual arrangements should be reviewed carefully.

What rate should I use?

Use the current official Superannuation Guarantee rate at the time payroll is processed.

What happens if super is paid late?

Late super can create additional ATO obligations and costs. The issue should be reviewed promptly rather than ignored.

Reference Sources

Source	Used for
Australian Taxation Office	Official Superannuation Guarantee rate, eligibility and employer obligations.
Fair Work Ombudsman	General employment information and worker entitlement context.
CPA Australia	Professional payroll and employer obligation context.

Important note

This Knowledge Sheet provides general information only. It does not take into account the full circumstances of any business. Speak with SML Bookkeeping & Tax before making tax, payroll or compliance decisions.