

## Compliance Newsletter – June 2021

A newsletter for our business clients, those with an investment entity (eg a trust), and super funds

### STP Finalisations

STP Finalisations are usually due by 14<sup>th</sup> July. With COVID and lockdowns etc the ATO has granted a blanket extension until 31<sup>st</sup> July.

You don't need to have done your finalisation to pay in the new financial year.

You have to finalise if you report under STP.

If you would like our assistance to finalise your STP, please get in touch ASAP.

### STP Generally

No more exemptions. If you have employees (even if just yourself) you **MUST** report using STP. For those closely held employers (related to all of their employees) there are some concessions – but no exemptions. We will be in touch in the next little while to progress your transition to STP.

### Employees can report their Employer for failure to pay SGC

The ATO have chosen to publish an online tool on their website, enabling employees to report their employers easily and anonymously if they are not paying and meeting all SGC obligations. Reminder: Deadlines for payments to be **RECEIVED** by your employees super fund (or ATO Small Business Clearing House):

July – September 28 October

October – December 28 January

January – March 28 April

April – June 28 July

The ATO can be very slow to follow up but they will prioritise any employer where the employee is nearing the 6 year timeframe for having left that employer. Following the amnesty, the ATO is imposing 200% penalties for late or unpaid employee super.

### Super Guarantee Rate increase to 10%

The Super Guarantee Rate increased to 10% on 1st July 2021. Most cloud programs managed this for you but not if you have created your own category

or altered the statutory rate. Please check your software and get in touch if help is needed.

### Fair Work Employee Statements

Reminder: The Fair Work Information Statement is compulsory to give to all employees – and has been since 2010. The penalties for failure to provide the statement can start at \$56,000 for a company employer.

The new casual employee information statement carries similar fines and is new since May 2021. You have until September to provide these statements to eligible employees.

Please ask if you have questions.

### Online Services for Businesses

The Australian Taxation Office (ATO) has launched a new service - Online services for business.

Online services for business make it easier for you to interact with the ATO online to manage your tax and super obligations.

The new service Online services for business is replacing the Business Portal. The Business Portal will be available until later in the year to give you time to change over to Online services for business. You can access Online services for business on multiple devices, including a smart device like your phone or tablet.

To log in to Online services for business, use myGovID. If you're new to ATO's online services, you will need to set up your myGovID and link it to your business using Relationship Authorisation Manager.

### Considered paying our fees monthly?

Many of our clients appreciate the opportunity to pay our fees during the year as a smaller instalment. We estimate your fees for the year and break it down into payment frequencies or your choice (weekly, fortnightly, and monthly). If you would like to discuss this option, please get in touch.

## Quote

“You can’t ask customers what they want and then try to give that to them. By the time you get it built, they’ll want something new.”

**Steve Jobs**

## New stapled superannuation employer obligations for new staff

Currently, when an employer hires a new staff member, the employee is provided with a Choice of Fund form to identify where they want their superannuation to be directed. If the employee does not identify a fund, the employer directs their superannuation into a default fund.

When someone has multiple funds, it often erodes their balance through unnecessary fees and often insurance. And, as at 30 June 2020, there was \$13.8 billion of lost and unclaimed superannuation in accounts across Australia.

From 1 July 2021, where an employee does not identify a fund, legislation before Parliament will require the employer to link the employee to an existing superannuation fund. That is, an employee’s superannuation fund will become ‘stapled’ to them. An employer will not simply be able to set up a default fund, but instead will be required to request that the ATO identify the employee’s stapled fund. If the ATO confirms no other fund exists for the employee, contributions can be directed to the employer’s default fund or a fund specified under a workplace determination or an enterprise agreement (if the determination was made before 1 January 2021).

Legislation enabling this measure is currently before the Senate.

## Minimum super drawdown rates

The Government has announced an extension of the temporary reduction in superannuation minimum drawdown rates for a further year until 30 June 2022.

Age	Default minimum drawdown rates	2019-20, 2020-21 & 2021-22 reduced rates
Under 65	4%	2%
65-74	5%	2.5%
75-79	6%	3%
80-84	7%	3.5%
85-89	9%	4.5%
90-94	11%	5.5%
95 or more	14%	7%

## COVID Support for Business

There is nothing in the ACT. But if you are in another state, your State Government has made announcements. You should check out their COVID Webpages or get in contact – there is simply too much detail to include here.

## National licence recognition for tradies

Builders, electricians, plumbers, architects, real estate agents, security guards and other workers who hold an occupational licence in their home state or territory and who want to do the same work in another state or territory will soon be automatically deemed to have the necessary licence.

The Federal, State and Territory Governments have agreed to a mutual recognition regime that will be implemented by the Federal Government. Exposure draft legislation enabling the seamless mutual recognition scheme was released last month with the scheme expected to start from 1 July 2021.

Workers will not need to pay additional licence fees or apply for additional licences.

Workers working in another state or territory will need to comply with local laws and regulations (including vulnerable people character test) and in some cases will need to notify the regulator they intend to work in their State. The States have the capacity to refuse a registration or type of license from mutual recognition.

Those subject to disciplinary action or who have conditions on their registration as a result of disciplinary, civil or criminal action will be excluded from automatic mutual recognition. Information on cancelled or suspended registrations and disciplinary proceedings and to record cancellations and suspensions on registers, will be shared.