

Superannuation Guarantee Amnesty now in force

The Superannuation Guarantee Amnesty Bill has received Royal Assent. Employers have until 7 September 2020 to make voluntary disclosures of superannuation guarantee underreporting.

On 6 March 2020 the *Treasury Laws Amendment (Recovering Unpaid Superannuation) Bill 2019* received Royal Assent. This means that the Superannuation Guarantee (SG) amnesty that was announced in the 2018 budget is now in force.

When is the amnesty period?

The amnesty period includes all SG shortfalls from 1 July 1992 through to 31 March 2018.

Employers who disclose SG shortfalls to the ATO between the original amnesty start date of 24 May 2018 and the end date of the amnesty period; being **7 September 2020**, will receive concessional treatment from the ATO.

What is the impact?

Employers who take advantage of the SG amnesty will:

- Avoid the administration penalty of the SG charge of \$20 per employee per quarter
- Be able to claim a corporate tax deduction for the payment of underpaid SG during the amnesty period
- Receive a full reduction of potential penalties that can be up to 200% of the total SG charge

In addition to the increased penalties for employers found to have historical shortfalls after the amnesty is over, the Commissioner will also lose the power to remit that penalty below 100% for historical quarters.

Employers should take advantage of this opportunity to ensure that they have met their historical SG obligations and have the correct processes in place to meet them going forward.

What action is required?






Given the time restrictions – **7 September 2020** - under this SG amnesty period, employers should immediately:

- Review historical superannuation guarantee payments to ensure that any shortfalls are rectified during the amnesty period.
- Check that payroll codes are correctly categorised as ordinary times earnings and any awards applied correctly to ensure that employers are meeting their SG obligations going forward to avoid penalties.



Superannuation Data Analytics offering

ShineWing Australia's data analytics tool assesses your data against a number of automated tests including:

-  Whether the correct superannuation rate of 9.5% (or Enterprise Bargaining Agreement rate) has been applied
-  Whether the superannuation guarantee has been applied correctly to an employee's Ordinary Times Earnings (OTE)
-  Analyse payments to contractors to highlight any risks of them being considered employees
-  The Maximum Superannuation Contribution (MCB) limit has been exceeded
-  Identifying employees who exceed the concessional contributions cap.

Based on the data analysis, the ShineWing Australia tax professionals will provide you with:

- Strategic recommendations and support to manage any identified superannuation compliance risks
- Implement any opportunities for cost savings

Now is the time to take the lead and conduct a superannuation health check for your organisation.

Get in touch

Contact us to discuss a review of your superannuation policies and superannuation guarantee obligations.

Data analytics will enable you to manage your organisation's superannuation compliance risk efficiently, as well as identifying potential savings opportunities. We use our [Complete Tax Solutions \(CTS\)](#) superannuation data analytics tool to review payroll records efficiently to assist in identifying any shortfalls or disclosure concerns.

Reach out to one of our tax experts below:



Sam Morris
Partner, Tax
T +61 3 8635 1980
E smorris@shinewing.com.au



Justin Batticciotto
Associate Director, Tax
T +61 3 8635 1946
E jbatticciotto@shinewing.com.au



Helen Wicker
Partner, Tax
T +61 2 8059 8630
E hwicker@shinewing.com.au



David Wilson
Associate Director, Tax
T +61 7 3085 0809
E dwilson@shinewing.com.au



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