



e-News

Monday, 8th November 2021

Stapled Super Funds - 2 guides from the ATO



The Stapled Super Fund initiative began on 1st November 2021. I have sent a couple of newsletters about this new law to you previously, but you may have missed those. If so, here are 2 x guides from the ATO which explain what you must do from now on if you employ someone who fails to provide you with his/her super details. I have also written a blog about this which you can access from the "latest articles" list below.



This information is for employers that need to request stapled super fund details from us for their employees or contractors entitled to super guarantee contributions. For full details, visit ato.gov.au/stapledsuperfund



When to request stapled super fund details

You will need to request stapled super fund details for new employees who start on or after 1 November, when:

- you need to make super guarantee payments for that employee
- they are eligible to choose a super fund, but don't. This includes contractors who you pay mainly for their labour and who are employees for super guarantee purposes.

You will need to request stapled super fund details for some employees who aren't eligible to choose their own super fund.

This includes employees that are:

- temporary residents
- covered by an enterprise agreement or workplace determination made before 1 January 2021.

If your new employee chooses their own super fund or chooses your employer default fund, you **do not** need to request stapled super fund details for them.

Before you request stapled super fund details

You will need to:

- ✓ check that your authorised representatives in ATO online services have the Employee Commencement Form permission so your payroll and onboarding staff can make stapled super fund requests.
- ✓ establish an employment relationship link with your new employee by submitting a Tax file number declaration or Single Touch Payroll pay event.



How to request stapled super fund details

To request a stapled super fund, you, or your authorised representative, need to:

1. log into ATO online services
2. navigate to the 'Employee super account' screen via the 'Employees' menu and select 'Request' to open the form
3. enter your employee's details
4. read and click the declaration to sign it
5. submit your request.

There is no limit to the number of requests you can make. However, a bulk request form is available when requesting large numbers of employees.

Once the request is made

You must pay super guarantee contributions to a stapled super fund, to avoid additional penalties, if:

- you have requested stapled super fund details for your employee
- we have provided these to you.

If the stapled super fund account provided by us:

- can't accept contributions for the employee, you should make another request for the employee's stapled super fund via ATO online services
- is a self-managed super fund, you should get the electronic services address and bank account details from your employee.

Call us on **13 10 20** if:

- you make another request for an alternate stapled super fund and the same stapled super fund details are returned
- your employee can't provide you with their self-managed super fund bank account details.

When you cannot establish an employment relationship in ATO systems



There may be circumstances where you won't have an employment relationship recorded in ATO systems before you need to request stapled super fund details.

Scenario

Contractors not included in STP pay events

You're unable to run an STP event because your payroll software cannot lodge this without super fund details and your employee has been unable to complete their TFN declaration by:

- completing the 'New employee commencement' form in their ATO online account through myGov and providing you with a copy
- providing you with a paper form.

Unable to access ATO online services

Solution

Request the contractor's stapled super fund details using the secure mail function in ATO online services.

If your payroll software:

- allows you to leave the super fund information blank for the first payslip, you can do this and submit your pay event
- requires you to include super fund information, you should include details in the fund name field indicating it is pending a stapled super fund request (for example 'pending stapled super request').

Once you have the stapled super fund details, immediately update and reissue your employee's payslip. This will provide accurate details of the super fund you will be making contributions to.

Contact us on **13 10 20** to:

- request details of a stapled super fund, or
- provide permission for an authorised contact to request information on your behalf.

Before providing information over the phone, we must establish the identity of the person making the request.

If you don't request stapled super fund details when you should

We will help and support employers in the first instance as this change is introduced.

You may have to pay the choice shortfall penalty (which is the additional super guarantee charge) if you contributed to your default fund without making a stapled super fund request.

You should immediately request a stapled super fund for your employee and begin making contributions to the fund that is returned in response to your request.

To avoid the choice shortfall penalty make sure you:

- request the stapled super fund details for your employee as soon as possible if they have not provided you with their choice of fund
- pay the employee's full super guarantee contribution to the stapled super fund we return to you in the request
- pay the contribution to the stapled super fund by the quarterly due date.

Visit ato.gov.au/stapledsuperfund for more details on the solutions provided.

Latest Articles



New Work-Mindset

Over the last few weeks, I have completely turned my beliefs about work,



Stapled Super Funds

From 1st November 2021, when a new employee starts working for you, you must pay their super into

upside down and inside out.

their "Stapled Super Fund" if he/she does not provide you with a choice of fund.



Director ID

Are you a director? You need to read this! Director ID is coming in November 2021.



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