

## SuperStream Fact Sheet

### What is SuperStream?

SuperStream is a government reform designed to improve the efficiency with which money and data flows around the superannuation system. The standard aims to enhance efficiencies by introducing common data processes and rules for sending employer contributions. The SuperStream standards are based on recommendations from the Cooper Review and have been designed to:

- Allocate contributions to members accounts more efficiently
- Reduce the number of contributions being returned to employers due to insufficient member details
- Provide better information about the amount and timing of superannuation payments to employees
- Create an electronic record to support tax and accounting needs.

The new rules have effectively two components:

- **Payment Standards** – The payment must be made electronically to the nominated superfund
- **Data Standards** – Details of the payment transaction, such as employee name, Tax File Number and Superfund member number are also sent to the superfund.

### Who does SuperStream apply to?

The SuperStream standard is mandatory for all employers making super contributions, SMSFs receiving employer contributions and APRA regulated super funds. However, the standard will not affect your SMSF if contributions are only from a related party employer.

Generally, a related party employer is an employer that is controlled (more than 50% of the voting rights or can exert significant influence) by one or more members of the SMSF or

their related parties as defined in Part 8 of the *Superannuation Industry (Supervision) Act 1993*.



### When will the changes come into effect?

Large to medium employers (with 20 or more employees) are able to start sending SuperStream compliant contributions from 1 July 2014. All employers and SMSFs will be required to comply by 1 July 2015.

### What do I need to do to meet my SuperStream obligations?

#### Employers

We encourage you, as an employer, to familiarise yourself with your obligations under the SuperStream reforms. These include:

- Providing the minimum data set in the required electronic format, using the standard terms and message
- Making payments to each fund electronically
- Ensuring payments and data are sent and received on the same day
- Responding to fund requests for missing information and queries within 10 days

Options available to help you implement processes to comply with SuperStream include:

- Upgrading your in house systems or payroll software package
- Using an outsourced payroll provider
- Using a commercial clearing house or the free Small Business Superannuation Clearing House (available for small employers with 19 or fewer employees).

### SMSFs

If your SMSF is receiving employer contributions (other than just from related party employers) the SMSF trustees must obtain an electronic service address for the delivery of contribution data messages. Before 1 July 2015, SMSF members will need to provide the following information of their superannuation fund to their employer:

- SMSF Name
- SMSF ABN
- SMSF bank account details (including BSB & account number)
- Electronic service address (ESA)

SMSFs are required to have a SuperStream gateway to collect their contribution messages from employers so the required data can be collated into your SMSF. We have an arrangement via Australia Post to administer the gateway services on behalf of our SMSF clients. If you would like us to register your SMSF for the SuperStream gateway services, please contact us. A letter can also be provided to be given to your employer.

Alternatively see the ATO's list of registered ESA providers at [www.ato.gov.au/Super/SuperStream/Indetail/Contributions/SMSF-messaging-serviceproviders/](http://www.ato.gov.au/Super/SuperStream/Indetail/Contributions/SMSF-messaging-serviceproviders/)

### What happens if I do not comply?

The ATO can impose significant penalties for failure to comply with the new rules (up to \$2,000 each time the new rules are breached). The penalties apply to both employers and SMSFs.

**Contact Prosperity Accountants team today at [enquiries@prosperityaccountants.com.au](mailto:enquiries@prosperityaccountants.com.au) or call +61 8 9443 5199 for assistance.**

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