

Employer Newsletter February 2008, Issue 6

We are already well into 2008, but this is our first opportunity to wish you a successful and prosperous new year from everyone at Catholic Super. Thank you for your support of the fund. We are very grateful for the work you do which helps us and our members.

STAFF CHANGES

If you have new staff members, remember that in most cases they should be offered their choice of superannuation fund. If they are eligible for Choice of Fund, you must supply them with a Standard Choice Form within 28 days of their starting work with you. If they don't choose a fund, you must pay the super contribution for those employees into your default fund.

If there have been changes to the employment status of existing staff members, please make sure you notify us, as some changes have an impact on the insurance benefits available to the Catholic Super member.

A permanent* employee may be eligible for Death, TPD and Income Protection cover while a casual* employee is entitled to Death only cover, so a move from one status to the other will have an effect on insurance benefits and premiums.

If we are not advised of a reduction in hours of work and salary for a member, they could end up paying too much for the actual income protection benefit they would be entitled to receive.

We appreciate your help in keeping such information up to date.

*Definitions of permanent and casual employment related to insurance may differ from those in industrial awards and agreements. Please check with us on 1300 550 273 if you are unsure.

TAX FILE NUMBERS

Now that we have had over six months to absorb the substantial changes made to superannuation last year, it is worth taking a look at one change that has a direct impact on you as an employer, that being Tax File Numbers (TFNs).

The following information is provided as a general reference and should not be considered to be financial or tax advice. Catholic Super recommends that you contact the relevant authority for more detailed information, and seek independent financial/taxation advice.

You can find further information at www.ato.gov.au/super

Employers have an obligation to pass on employees' TFNs

When an employee, in the course of their employment, has completed a TFN declaration form, the employer must provide the employee's TFN to their superannuation fund or retirement savings account.

This applies to any existing employees who complete a TFN declaration after 1 July 2007 as well as to all new employees. Previously employers were obliged to notify a TFN to a super fund only when the employee had authorised them to do so (usually indicated by a tick on the TFN declaration).



Time limit for providing employee TFNs

If you make a superannuation contribution for an employee, you are required to provide that employee's TFN to their super fund within 14 days of receiving the employee's TFN declaration form.

If you don't make a contribution for the employee in that 14 day period, you may provide the employee's TFN to their super fund when you do make the first contribution after receiving their TFN declaration.

Since 1 July 2007 the Tax Office has been able to monitor whether employers provide TFNs to the employee's super fund.

Good reasons for members to provide their TFN to their super fund

- They will not incur the top marginal tax rate plus Medicare levy on employer contributions (which includes salary sacrifice amounts).
- Fund members who do not provide their TFN will not be able to make any after-tax (non-concessional) contribution to their super. We cannot accept such contributions if we don't have a member's TFN.
- TFNs can help us to locate 'lost' super for members.
- TFNs can help us to allocate any government co-contribution entitlements to a member's account.

Online notification of Tax File Number

Any existing member who has not yet provided their TFN to Catholic Super can do it quickly and easily online by going to www.csf.com.au and selecting **Tell us your tax file number** from the list of items under the heading, **Quick links**.

EMPLOYER SERVICES

If there is anything we can do to help you with your super administration please call the Helpline on **1300 550 273** or send us an email at info@csf.com.au

We are also happy to visit you at your workplace to talk to you and your staff about superannuation and retirement issues.



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