

SG Amnesty bill passes Parliament

The Treasury Laws Amendment (Recovering Unpaid Superannuation) Bill 2019 has now been passed and is awaiting royal assent.

The Superannuation guarantee (SG) amnesty allows a **one-off amnesty to apply to employers to self-correct any historical non-compliance for any period up to the March 2018 quarter. This applies to non-payment of SG or underpayment of SG.**

The amnesty period starts from 24 May 2018 and will end six months from the date royal assent is granted.

To qualify, an employer must disclose the outstanding SG to the Tax Commissioner.

Either the full amount owing is paid or, if the business cannot pay, arrange a payment plan with the ATO. However, if you agree to a payment plan and do not meet the payments, the amnesty will no longer apply.

If you need any assistance with this, please contact our office on (07) 4848 4444 to discuss your options.

Since the amnesty was first announced on 24 May 2018, approx. 7,000 employers have come forward to disclose historical unpaid super.

Assistant Minister for Superannuation, Financial Services and Financial Technology Jane Hume said the passing of the legislation should not be viewed as giving a free kick to employers who had been previously non-compliant.

“Employers will not be off the hook. To use the amnesty, they must still pay all that is owing to their employees, including the high rate of interest. However, the amnesty will make it easier for workers to secure the super they are owed by not hitting employers with the penalties usually associated with late payment,” said Ms Hume.

“If employers do not take advantage of the amnesty, they will now face significantly higher penalties when they are caught. In addition, throughout the amnesty period the ATO will still continue its usual audit and enforcement activity against employers for historical obligations they do not own up to voluntarily.

“We encourage employers to check they don’t owe outstanding super — and if they do, to take advantage of this once-only opportunity to set things right before much tougher penalties apply.”