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# Superannuation Administration Group

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QC 60203

## **Superannuation Administration Group key messages 9 December 2025**

Key topics discussed at the Superannuation Administration Group meeting 9 December 2025.

**Published** 7 January 2026

## **Payday Super**

Payday Super legislation received Royal Assent on 6 November 2025 and will come into effect on 1 July 2026. The Stapling Bill (Treasury Laws Amendment (Supporting Choice in Superannuation and Other Measures) Bill 2025) was introduced on 26 November 2025 but has not yet passed, and regulations are expected early in the new year.

## **Technical artefacts**

All technical artefacts and guidance for SuperStream have been published, with funds and providers urged to review and begin planning for builds which need to be in place by 1 July 2026.

Member discussion noted that whole of economy changes may be necessary for a smooth transition, with the example provided of processing payments on the new payments' platform. It is important to act early to ensure any issues are identified and resolved promptly.

# Small Business Superannuation Clearing House

The Small Business Super Clearing House will be closed as of 11:59 pm on 30 June 2026. It is recommended (not mandated) that users transition to alternative payment methods following the January – March quarter, as the shut off date is before super guarantee payments for the April – June 2026 quarter is due. Web content will be refreshed in January or February 2026, with further messaging to follow.

## Communications

Updated web content, fact sheets, and videos have been released to explain Payday Super changes, with additional resources planned for the new year. A trustee letter will issue soon, and digital service provider (DSP) letters will issue when final artefacts and technical documents are available.

A super fund focussed webinar is planned for early 2026, with feedback sought on the content and timing. Feedback was received recommending an earlier session, February and a focus on technical and operational readiness.

## Paid parental leave superannuation contributions

A minor technical amendment to address the acceptance of contributions without a tax file number was released for public consultation [Miscellaneous Amendments to Treasury Portfolio Laws 2025](#), closing on 2 January 2026, which will ensure minimal impact on stakeholders and resolve any concerns around this element.

The group noted the positive outcome from discussions held in this group, leading to a better outcome for this measure.

Other updates included:

- The project team has finalised IT builds and is preparing for interagency testing with Services Australia starting from late January, with deployment planned for June 2026.

- Reporting requirements and memorandums of understanding with the Department of Social Services are being finalised.
- Recent communications included super news and DSP news articles, with no significant concerns raised. Members were asked to review published materials and provide feedback on any additional communication needs ahead of the go-live date.

## **Better targeted super concessions**

Treasury is finalising the draft law for better targeted super concessions following targeted consultation, with legislation expected to be introduced as soon as possible in 2026. ATO consultation to resume once policy details are public.

## **Incident management over closedown period**

Members noted the incident management protocols during the Christmas shutdown including:

- The digital partnership office will maintain 24/7 incident response via their phone line **07 3121 7880**, with critical incidents best reported by phone.
- A Jira (workflow management system) can be lodged on the Super Enquiry Service for any non-critical notifications.
- The dashboard will show any planned outages, or any significant unplanned outages.
- The external vendor testing environment will be unavailable during the shutdown period.

QC 106032

# **Superannuation Administration Group key messages 22 October 2025**

Key topics discussed at the Superannuation Administration Group meeting 22 October 2025.

**Published** 27 January 2026

## Payday Super

Legislation was introduced on 9 October 2025 in relation to the core changes regarding superannuation guarantee obligations and the super guarantee charge. Also confirmed was previously announced start date of 1 July 2026.

We are expecting further changes to come via regulations and additional bills that were outlined in the initial government fact sheet and exposure draft law.

Stapling and advertising bans are not off the table; our understanding is that these will look to be introduced in a subsequent bill.

Regulations are expected to be released soon in relation to other elements such as returning contributions – if a contribution is unable to be allocated and needs to be returned, this will need to happen in 3 business days, rather than the existing 20 business days.

Members were reminded that as of today, Payday Super is not yet law. While it has been introduced and read for a second time, we do not know any further timeframes or information as to next steps for its progression through the legislative process.

After the exposure draft and the introduced bills, there are several noticeable changes that were made because of the consultation feedback. Treasury have published a summary of the [outcomes of exposure draft consultation PDF 212KB](#) and the key changes on their website.

Members clarified the meaning of a business day, given the change from 7 calendar days to 7 business days between the exposure draft and the bill. The meaning of 'business day' is consistent across the country. For example, if any state or territory has a public holiday this is not a business day.

A question was posed regarding regional public holidays. Clarification was provided that from the introduced Bill, business day means a day other than:

- a Saturday or a Sunday; or
- a day which is a public holiday for the whole of
  - (i) any State; or
  - ii) the Australian Capital Territory; or
  - (iii) the Northern Territory.

Any extended dates also change to business days. This applies to the new extended 20 business day due date for any situation where an employer needs to make a contribution to a fund for the first time for an employee, not just new employees.

## Compliance approach for the first year

Draft guidance has been published on the ATO's employer compliance approach for the first year of Payday Super. Draft Practical Compliance Guideline PCG 2025/D5 *Payday Super – first year ATO compliance approach* recognises that employers who try to do the right thing from 1 July 2026 to 30 June 2027, and resolve any issues quickly, should not be the focus of ATO compliance action.

## The ATO Corporate plan

Our Corporate plan has been released, and it lists Payday Super as an enterprise priority, which highlights the importance that the ATO is placing on the implementation of Payday Super.

This is a significant reform to the superannuation system and will require all participants in the ecosystem (including superfunds, digital service providers (DSPs), gateways and over 950,000 employers) to make changes in parallel to ensure success.

Leadership structure in relation to Payday Super has changed with Emma Rosenzweig the Deputy Commissioner of the Payday Super Program and Ben Kelly the Deputy Commissioner for the Superannuation and Employer Obligations Business Line.

## Payday Super – SuperStream improvements

To support the readiness of Payday Super we are making several updates to SuperStream, expected to apply from 1 July 2026 including:

- The requirement for funds to accept fast payments via the New Payments Platform (NPP) by 1 July 2026.
- Updates to error messaging so it is timely, clearer, and more meaningful. This will give employers better information to help them resolve errors.
- A new SuperStream Member Verification Request (MVR) message for employers to verify employee's fund details are correct and the fund will accept a contribution. This is a significant change that aims to give employers confidence that there is less risk of rejected payments.
- Changes to Fund Validation Services (FVS) to increase the visibility and traceability of changes or closures to unique superannuation identifier (USI).

Under the Contribution User Guide V3, MVR should be used to verify an account in the following scenarios:

- a nominated fund by an employee through choice
- change in an employee's choice of fund
- following a product closure or merger
- change in payroll or registry systems where agreement has been provided by the fund
- as part of corrective action following a rejected contribution from a fund
- where there are changes to employee information, such a tax file number, date of birth and name.

An employer, or their provider, will be advised they should not use the MVR to support regular contributions processes. The ATO will look at include content on the employers' page on [ato.gov.au](http://ato.gov.au) to clarify this as part of the SuperStream changes.

With funds having less time to match employee information to a members account, reducing to 3 days, down from 20, it is important employers do as much as possible to have accurate and complete information to avoid errors.

From 1 July 2026, the FVS services will be upgraded to include new information like:

- new data to capture the reason a USI is closing
- where the closure is due to a Successor Fund Transfer or Intra-fund Transfer, funds will also be required to provide the Australian business number and USI of the receiving fund
- whether a USI is ready to receive fast payments and a PayId (if applicable)
- rationalised contact information for support with SuperStream processing issues
- new certification value to support response messaging as part of closing a USI.

A new FVS get service will also include closed USI details to help employers trace fund changes. The new FVS get service will be available alongside the current FVS get service for 12 months.

New versions of the 'update and get services' will be available in our External Vendor Testing Environment (EVTE) from 17 October 2025. The new version of the FVS bulk service will be available in EVTE from December 2025.

Technical and business guidance documents on these changes are available on the Contribution standard v3.0 page on the software developer's website. DSPs should review these specifications now and begin planning their implementation strategies with their employer and super fund clients to ensure compliance by the 1 July 2026 deadline.

## **Small Business Superannuation Clearing House**

The Small Business Superannuation Clearing House will be retired from 1 July 2026 and new users to the service have been unable to register from 1 October 2025.

We are encouraging employers to transition to alternative services prior to this time.

While the ATO cannot recommend a service, we will be guiding employers to information that will help them consider the options that best suit their business needs.

This includes options within their existing payroll software, super fund clearing houses or online payroll systems, a variety of which can be found on the [SuperStream Product register](#), which contains a listing of payroll and clearing house products.

If DSPs have a product listed on this register, we are encouraging them to review the accuracy of the product information on the register. You can also have new products added to the register by contacting the DPO.

Other points to note:

- Production readiness – timeline and delivery remain on track to previously agreed dates. The progression or any delay of the Payday Bills will not push any of these timeframes further.
- Funds were encouraged to move to NPP sooner to get familiar with the change, and to respond to any implementation issues while the volumes are lower, and funds have more time to resolve them under the quarterly regime.
- The final SuperStream documents to provide the remaining information about testing and transition will be published by the end of November.
- Key message for industry regarding delivery time frames – 'don't wait and don't be late!'.
- STP changes will be discussed at future SAG meetings, with the changes summarised as STP is being updated to include a new code for QE, which will be required to be reported by employers from 1 July 2026.
- EVTE will be available from December for DSPs to test this change.

## **Payday Super – negative MATS**

Under the Payday Super legislation, payment of qualifying earnings (QE) to an employee will, give rise to a liability for the employer to make a super contribution on their employee's behalf.

Such contributions are usually to be received by the fund within 7 business days (of the payment of the QE). Contributions will be allocated against the earliest period with a liability, based on the order in which they were received by the employee's fund.

Contributions made after a particular period's due date will be 'late' contributions for that period.

Funds may use a negative member account transaction service (MATS) to reduce the value of contributions.

As there is no direct link between a negative MATS and the contribution it is reducing, business rules have been developed in line with sections 5.20 and 5.22 of the MATS Business Implementation Guide.

These business rules can be summarised as:

- A negative MATS will offset the contribution with the same effective date as the negative MATS.
- Where there is no contribution with the same effective date, or where the value of the negative MATS exceeds the contribution with that effective date, the negative MATS will offset the next most-recent contribution (that is, the preceding contribution).
- This process will continue until the entire value of the negative MATS is offset, or there are no more contributions within that financial year.

## Better targeted super concessions

On 13 October the government announced changes to the better targeted super concessions measure. A fact sheet providing an overview of the proposed changes was released, with further consultation also planned. Treasury will release further details in due course. As such the information below is limited to what has already been announced.

- Changing the start date to 1 July 2026, with first assessments issuing in the 2027–28 financial year.
- Introducing a second threshold to better target super concessions on balances above \$10 million.
- The \$3 million threshold will be indexed in \$150,000 increments aligned with the transfer balance cap.
- The \$10 million threshold will be indexed in \$500,000 increments aligned with transfer balance cap.
- Moving to a realised earnings approach that aligns to existing income tax concepts.
- There will be a 2-tiered approach to the tax rates for large balances
  - 30% on the proportion of earnings corresponding to total super balance (TSB) between the lower threshold (\$3 million) and the

higher threshold (\$10 million)

- 40% on the proportion of earnings corresponding to TSBs above the higher threshold (\$10 million).

Based on the latest announcement:

- The ATO will calculate an individual's TSB as we do every year.
- The ATO will contact funds that have members impacted by the measure and ask for their realised earnings. Funds will calculate the earnings and the share attributable to the member and report it back to the ATO.
- Our early thoughts are that we will still use the request for information process previously designed for Australian Prudential Regulation Authority (APRA) funds but instead of getting funds to report contributions and withdrawals, they will report realised earnings.
- We are waiting further direction on what the changes are for the self-managed super fund annual return in relation to information we don't currently obtain.
- Funds realised earnings will be based on the taxable income adjusted for elements such as contributions and pension phase income. The members share of the fund's realised earnings will be based on existing reporting mechanisms, or on a fair and reasonable basis which the ATO will provide guidance.

The Government will further consult on:

- calculating the realised earnings and attribute to in-scope individuals
- extend the existing exemption for some judges to improve consistency across jurisdictions
- make additional changes necessary to ensure commensurate treatment is maintained for defined benefit members.

## **Superannuation on government funded parental leave pay**

As discussed at the last meeting, we continue to progress the system build in conjunction with Services Australia. We have a memorandum

of understanding (MOU) in place with Services Australia for the new data exchange. We are currently developing a new MOU for data reporting with the Department of Social Services, who are the lead agency.

## Contribution user guide

A super news article **Guidance for funds on preparing for paid parental leave superannuation contribution (PPLSC)** has now been published and is live in the Super funds newsroom.

## Fund nomination process

The fund nomination process for individuals is not changing, however where there is not a specific member nomination for PPLSC, ATO systems will identify an eligible destination based on the hierarchy prescribed in the PPL rules. However, if no specific nomination has been made, the most likely scenario is that it will go to the fund with the largest number of contributions. If no fund is available or nominated, payment will go to the superannuation holding account.

Refer to [Paid Parental Leave Amendment \(Adding Superannuation for a More Secure Retirement\) Rules 2025](#) .

## Member notification

The ATO will send correspondence to the PPLSC recipient when PPLSC has been paid, which will include the amount and the relevant calculation components. Services Australia will not be providing the payment advice for PPLSC. Services Australia will only provide recipients the current existing correspondence advising details of the Parental Leave Payment (PLP).

## Commencement

Initial PPLSC payments for 2025–26 PLP amounts are scheduled to commence following both ATO and Services Australia system deployments from July 2026. However, as this is a new data set which will require extensive testing, it is likely payments may continue into August 2026.

Going forward, from July each financial year there will be a large file containing the bulk of PPLSC payments to be issued for the previous financial year amounts, that is, July 2027 will be PPLSC amounts for 2026–27. The ATO will also receive small weekly files from Services

Australia, which may result in additional payments or amendments throughout the year.

## Other business

General feedback was that at present APRA funds had no capacity outside of preparing for Payday Super, system builds for SuperStream changes and better targeted super concessions.

QC 106091

# Superannuation Administration Group key messages 17 June 2025

Key topics discussed at the Superannuation Administration Group meeting 17 June 2025.

**Published** 12 August 2025

## Payday Super

The announced Payday Super (PDS) measure is not yet law and is subject to consideration by the incoming government.

An update from the Payday Super Working Group meeting on 6 June 2025 was provided including:

- Staged communication approach for the Small Business Superannuation Clearing House (SBSCH) closure. The ATO provided the group with simplified data in relation to usage of the SBSCH.
- Feedback from the group suggested
  - awareness was low with many employers unaware of this change
  - public communication about the change will prompt consumers to question digital service providers about product readiness
  - that the SBSCH will close prior to the quarter 4 2025–26 lodgment deadline and awareness of this is important.

- We intend to create a small working group to manage the transition of the SBSCH closure allowing industry members to provide insights and expertise on how to frame the communications.

Treasury advised briefings are underway in relation to the submissions received on the exposure draft and for any further questions email [Treasury paydaysuper@treasury.gov.au](mailto:Treasury paydaysuper@treasury.gov.au)

An update from the Single Touch Payroll (STP) working group included:

- Draft validation rule updates were shared with the working group before the caretaker period to allow time for finalisation.
- Updates to the business implementation guide and other key documents were prepared during the caretaker period and released to the group after caretaker ended.
- Feedback is being reviewed and we are considering the best way to publish this documentation to the broader digital service provider audience.
- Some items in the technical documentation, such as qualifying earnings and the maximum contributions base, are still subject to draft legislation.

A brief update was provided on the ordinary time earnings (OTE) guidance group that is not part of Payday Super but came about because of discussions from the STP Technical Group.

Improved guidance on ordinary time earnings is expected to be published because of the work of the OTE guidance group.

Members said publishing technical documentation so close to the end of the financial year could be problematic. The ATO confirmed they will be taking that into account when considering any publishing.

## **Payday Super changes**

The following data was shared regarding current SBSCH usage:

- on average each financial year, there are approximately \$1.2 million employer payments for \$5 million employees, totalling over \$5 billion
- 62% of regular users access the service and pay their super quarterly

- 45% of active SBSCH users have 2 or less employees
- approximately half of SBSCH lodgments is made by a tax or BAS agent.

## SuperStream changes

Progress continues on improvements to the SuperStream standard for Contributions (v3.0) and Fund Validation Services (FVS).

Business guidance and technical documents were made available on the [ATO Software Developers](#) website on 28 March 2025.

There may be further changes to the documents, or new documents added, and impacted stakeholders should regularly review the website for the current version.

The ATO is now focussed on the next round of documents that will support testing, cut over and implementation phases for Contributions and FVS changes.

Key changes to SuperStream have focussed on updates to the FVS to give greater visibility and traceability on fund mergers, track closed unique superannuation identifiers, and improve support information to resolve errors with contributions data and payments:

- improved SuperStream error processes that better clarify messages for employers, explaining why a fund rejected a contribution
- a new SuperStream message for employers to confirm an employee's super fund will accept contributions that will significantly reduce the cause of common errors today.

The following document titles outlining the changes to the data and payment standards have been published:

- Change summary to schedules.
- Contributions message implementation guide – Schedule 4a version 3.
- Error code management – Schedule 6 version 2.
- Change summary fund validation services (FVS).
- FVS user guide version 2.
- Change summary response messaging framework guide version 1.2.

- Response messaging framework user guide version 1.2.

Members can email [paydaysuper@ato.gov.au](mailto:paydaysuper@ato.gov.au) to provide feedback.

## Better targeted super concessions Div 296

The ATO has recommenced work on the better targeted super concessions (BTSC) project as it's an announced priority of the federal government. We are continuing with the assumption that there is no change to the scope of the measure, nor to the start date which is 1 July 2025. If anything does change, we will adjust accordingly.

The measure, as drafted will change the way an individual's total super balance is calculated and alter the amount that is included in an individual's total super balance for some super interests.

We are cognisant that some industry stakeholders have readiness concerns and challenges in relation to valuing certain defined benefit interests under the proposed new method and reporting those values to us for 30 June 2025. This issue has been referred to Treasury.

We acknowledge that 30 June 2025 member balance reporting may be based on the old valuation method as law may not have passed by the annual balance reporting date, and funds may not have reporting systems built. We are working with Treasury on issues this may could cause and how they can be resolved.

We have confirmed that:

- The ATO needs additional information to be reported by funds to complete the Div 296 tax calculation.
- Funds that are not a self-managed super fund (SMSF) will report the additional Div 296 tax information to the ATO via bulk data exchange using Online services for business. Funds will have 10 business days to respond to a Div 296 request for information.
- SMSFs will report the additional Div 296 tax information to the ATO via 2 new labels on the SMSF annual return, this will be a change to the 2026 financial year.
- The successor fund transfer (SFT) protocol needs to be updated to accommodate the reporting of Div 296 tax information by funds involved in an SFT or intra fund transfer. We are in the position of having retrospective law and need to consider what this means if an

SFT occurs between 1 July 2025 and when Royal Assent is received.

- Funds will need to have processes in place to identify and correct Div 296 tax reporting issues.
- The existing 'Div 293' and 'Div Def' product type codes in SuperStream will be used for Div 296 release authorities and release authority statements. This removes the need for a SuperStream change. Instead, we will develop a solution that will use a reference number when sending the release authority to the fund which will identify the release authority as a Div 296 release authority, for example, 2514 000 25262 Div 296). When funds respond they will repeat the reference number back to the ATO.

We are focusing on:

- Finalisation of guidance material, for example web content
- Designing
  - ATO online screens
  - election and release authority process
  - deferred Div 296 tax process
  - Div 296 notice of assessments and notice of amended assessments.

The BTSC working group has been contacted and will continue to be a part of the co-design of this measure and will recommence in mid July 2025.

## **Superannuation on government funded paid parental leave**

The primary legislative changes to enact this measure are contained in the *Paid Parental Leave Amendment (Adding Superannuation for a More Secure Retirement) Act 2024*, which received Royal Assent on 1 October 2024. The measure commenced 1 July 2025.

Consequential amendments relevant to the measure were registered 12 June 2025, [Treasury Laws Amendment \(Paid Parental Leave Superannuation Consequential Amendments\) Regulations 2025](#) .

Further parameters for the ATO's administration of the payments will be contained in paid parental leave (PPL) rules to be made by the Social Services Minister via legislative instrument. These rules are now final, with the [Paid Parental Leave Amendment \(Adding Superannuation for a More Secure Retirement\) Rules 2025](#) registered on the Federal Register of Legislation 30 June 2025.

The payment is known as the Paid Parental Leave Superannuation Contribution (PPLSC).

The first PPLSC payments for the measure, relating to the 2025–26 financial year, are expected to be made from July 2026.

The ATO will send and recover PPLSC amounts using existing functionality as follows:

- via a super guarantee (SG) contributions message
- using a full financial year in the period dates, the year in which PPL was received
- reporting the ATO's Australian business number (ABN) as the employer identifier

For Member account transaction service (MATS) reporting to the ATO, existing requirements are to be followed. Super funds need to report back PPLSC as originally sent by the ATO, that is as SG with the full financial year period dates and ATO ABN.

## **Superannuation guarantee compliance approach**

Data mismatches – the ATO has plans and strategies in place that will involve future campaign work. We are ramping up our compliance activities and will contact relevant funds that require more attention in this regard. We are aiming to finalise our proactive strategies before the implementation of Payday Super.

Transparency and how we use data – the ATO is aiming to be more transparent in this regard. We want to make best use of the data we currently have, and the data supplied to us from funds. With Payday Super on the horizon, our data usage will increase.

## **Client account services**

The super enquiry service received 1,198 queries during the period 1 February 2025 to 31 May 2025. The main topics were:

- Div 293
- reconciliations and suspended payments
- unclaimed superannuation.

Fund administrators are encouraged to ensure that they send data messages and payments as per the data and message standards. ATO initiated requests continue to increase, with 176 requests created during this period, relating mostly to failed validations, suspended payments and unclaimed super money (USM).

We have recently issued news articles and updated the following web content to address some queries received:

- Avoid errors and delays with release authorities
- Tips for avoiding common errors in member account attribute service (MAAS) and MATS reporting
- New SES features – Team accounts and ATO-initiated requests.

Refer to the [Super fund newsroom](#) to search current and archived alerts.

## **Small Business Superannuation Clearing House**

In the lead up to closure of the ATO's Small Business Superannuation Clearing House (SBSCH) we will be working in our frontline area to review any discrepancies on super fund SBSCH payment variation advice remittance roles, as these must be resolved prior to closure.

Fund administrators may be approached for information about specific transactions/payments. In all cases we will provide advance notice of a request for information as soon as possible. No action is required unless we specifically contact you due to a discrepancy that needs to be resolved.

## **Early release of super benefit approval letters**

Fund administrators are reminded to ensure that early release of super benefit (ERSB) approval letters are downloaded regularly to avoid them being archived. ERSB approval letters can be downloaded through Online services for business.

## **USM 1:1 reporting lodgments**

Fund administrators are reminded to send us an SES JIRA request if lodging more than 30,000 USM 1:1 messages (excluding Section 20c responses), to advise the expected lodgment dates and volumes. This will allow us to monitor large files from a system perspective.

Post meeting update – the figure above has been updated from 30,000 to 5,000 after the meeting.

## **Client relationship service offering and APRA fund survey**

### **Client relationship management**

The fund advice and support team within data and services has changed its service offer relating to the client relationship manager functionality for Australian Prudential Regulation Authority (APRA) funds.

The name 'client relationship manager' implies a centralised entry point to the ATO for all fund queries and does not accurately reflect the scope of our service offer.

The fund advice and support team within data and services assist funds with issues related to member reporting via MAAS and MATS.

Funds engage with the ATO via the super enquiry service to seek assistance for most of their superannuation reporting matters.

The frontline client relationship team assesses incoming requests for assistance from funds and directs them to the appropriate resolver for action, ensuring efficient resolution based on the topic and issue raised.

By clearly defining the scope of our service offering, we can deliver a more modern and adaptable solution for funds, ensuring that support is provided efficiently and precisely where it is needed for issues within our remit. This ensures that funds are promptly directed to the appropriate channel, allowing their issue to be escalated to the relevant ATO resolver based on the specific topic.

For matters unrelated to superannuation member reporting matters, funds will be directed to the appropriate channels, such as the Online services for business, to ensure efficient resolution.

## **Annual APRA fund client experience survey**

The annual APRA fund client experience survey has traditionally launched in May of each year and remains open for a 2-week period.

The ‘working together’ measure will not be reported in the ATO 2024–25 annual report, as a result it has been decided to cease the annual APRA fund client experience survey.

We appreciate and thank you for the valuable feedback provided by previous survey respondents, which has been instrumental in reviewing and enhancing our engagement with you.

Although the survey is no longer active, we encourage you to provide feedback through other forums or working groups.

## **Other business**

Discussion points included:

- SFT and funds continuing to report amendments where required.
- Deactivation of ABNs – ATO reopening of ABNs.
- SFT timelines and SFT protocol contents.

QC 105373

## **Superannuation Administration Group key messages 12 February 2025**

Key topics discussed at the Superannuation Administration Group key messages 12 February 2025.

**Last updated** 16 May 2025

## **Payday super**

When the government announces the date of the federal election, all government agencies are required to operate in caretaker mode. This

means the ATO must immediately cease consultation on Payday super and any other announced but unenacted measures.

During caretaker, the ATO may continue to consult on limited matters where discussions relate to items under the ATO's existing administration, but no consultation on Payday super will occur.

If you have any questions, please contact the Payday team via [paydaysuper@ato.gov.au](mailto:paydaysuper@ato.gov.au)

Further information is available:

- **Payday superannuation.** This page will be updated when the Exposure Draft is issued.
- Key messages from the Payday Super Working Group are available [here](#).
- Guidance on [Caretaker Conventions](#) issued by the Department of the Prime Minister and Cabinet.

## Payday super: SuperStream workshop

A group meeting on the 5th and 6th February was held with the main discussion points including:

- Reviewing updates to the contribution message implementation guide and error schedule to address priority irritants and problems within the ecosystem.
- Currently there are less than 0.5% of rejected contributions. This could extend to 5 to 8% with Payday super timeframes, and funds only having 3 days to return payments that cannot be allocated, down from 20.
- Of the errors today, 99% are the result of
  - members no longer in the fund
  - fund cannot match the member with data supplied or
  - fund cannot accept contributions from that employer.
- A new Member Verification request message is being explored that will allow employers and funds to front-load errors and take corrective action before a payment is made.

- Error messaging is being enhanced and we have reviewed the existing 37 error codes to determine if they are still relevant and helpful for employers/providers. We have found most of the errors are still relevant, with some needing an update in language and definitions, and 5 that are no longer needed to be removed.
- We are looking at how we can ensure the right information is passed through the supply chain to the employer and removing ambiguity and free text.
- Our team is working on timelines and is aiming to share as much as possible before caretaker period commences. Feedback can be received during caretaker period.
- Sequencing for contributions is a large piece of work that we are trying to do prior to 1 July 2026.

Fund validation service (FDS) key points include:

- Significant gain for industry as it provides us with the opportunity to enhance the FVS to deal with existing irritants and remove fields that are no longer required.
- New data will be captured to support transparency of successor fund transfer (SFT) and intra-fund transfer and closing of unique superannuation identifier (USI)s. This will be done by adding a closure reason code and the new funds Australian business number/USI for transferring products.
- This will allow prompting and tracking for employers for high impact changes. SFTs account for half of all errors in the last year.
- New payments platform (NPP) readiness was mentioned. NPP will be included as an approved payment measure. The group will be advised when more details are clarified.
- Fund validation service Get service was mentioned. Earmarked from 1 July 2026.
- Removal of nil certification to be replaced by new certification value 'RESP' as an appropriate and workable solution with guidance to follow.

Members are advised to email [paydaysuper@ato.gov.au](mailto:paydaysuper@ato.gov.au) to share any specific feedback they have.

## **System in operation – Current environmental scan**

It was acknowledged that this is a time of uncertainty for super funds. Any election announcement and subsequent caretaker period will have impacts.

Members of the group have made 15 high level suggestions for improving aspects of the super operating system since August 2024. The main issues relate to commutations, departing Australia super payment online processes, member account attribute service and unclaimed super money reporting, Government contributions sent to super funds and tax file number issues.

It was acknowledged there are limitations from an IT and policy perspective so it was agreed to review this list and identify if there are areas that can be progressed with group input.

To assist with this review and refresh the list for 2025, members were asked to identify issues they would like to be brought to the ATO's attention.

Members are to forward any new suggestions to Darrell Cunningham, via email at [Super&EmploymentConsultation@ato.gov.au](mailto:Super&EmploymentConsultation@ato.gov.au) by 17 March 2025.

Sue Pearce from Aware Super will work with the group chair and determine what items we can address.

## **Better Targeted Super Concessions**

The bills were introduced and read in the senate on 10 October 2024, it may be debated when the senate sits in early February 2025.

Post meeting update - The bills were not debated.

In 2024 we worked closely with the Better Targeted Super Concessions Working Group to design the administrative solution for this measure.

Since our last update the design decisions that have been made include:

- The existing 'Div 293' and 'DivDef' product type codes in SuperStream will be used for Div 296 release authorities and

release authority statements. This removes the need for a SuperStream change.

- Instead, we will develop a solution that will use a reference number when sending the release authority to the fund which will identify the release authority as a Div 296 release authority (for example, 2514 000 25262 Div 296). When funds respond they will repeat the reference number back to the ATO.
- Finalisation of the additional Div 296 information that will be reported by funds including self-managed super funds and the reporting process.
- Finalising the process for amendments to Div 296 additional information.
- Finalisation of fund reporting of contribution split and family law split amounts.

We are currently working through what consultation with the Better Targeted Super Concessions Working Group will look like for 2025, which will be subject to passage of the law.

## **Mid-year and economic fiscal outlook 23–24 announcement**

### **Capped defined benefit income stream. Transfer Balance Cap technical changes for a SFT**

To date we have successfully remediated most member accounts impacted by this change. We are working closely with the remaining funds to correct accounts which are challenging due to the retrospective nature of the change, particularly where there are reversionary income streams.

The next step for the project will involve completing the final corrections of some data fix work, and verification that the system has correctly calculated the amounts and issued amendments if required. Once these milestones are achieved, we will look to close the project in April 2025. From that point on, any further work to be corrected will be actioned by the ATO business owners.

### **Superannuation portability arrangements with the Cook Islands.**

The intent of this measure is to expand Australia's current bilateral trans-Tasman superannuation portability agreement, allowing

portability of retirement savings between an Australian complying superannuation fund and the Cook Islands National Superannuation Fund.

The Memorandum of Understanding between the Cook Islands and Australia was signed on 13 November 2024. No further updates surrounding the required legislation to support the measure have been received. Legislative change in both the Cook Islands and in Australia is required for this measure to take effect. As a result, no further design or project deliverables are being progressed until there is more clarity with the legislation.

**Access to offenders super for victims and survivors or child sexual abuse.**

The measure was announced as part of 13 December 2023, Mid-year and economic fiscal outlook announcements. There is currently no project activities underway whilst we await progression of the relevant legislation.

## **Super on government funded paid parental leave**

Work is progressing on the measure with Services Australia. The data exchange payload between agencies has been endorsed, and the system build is commencing for the data feed. Relevant governance surrounding the data exchange including data stewardship, privacy assessments and data ethics is underway.

Services Australia will commence pre-claim activities at the end of March 2025. As such interagency communication products are being developed. The ATO key message is for individuals to ensure their details are up to date with their fund, ATO records and Services Australia.

There is still some outstanding legislative clarification in relation to the paid parental leave rules, which are currently under development. We will continue to move forward and the upcoming caretaker period, won't hamper any progress. The ATO are still working through the information and communication technology build work, and we will provide more detail to the group when appropriate.

Members will be kept up to date of all matters pertaining to this measure as the project progresses.

## APRA funds website content refresh

The content for the Australian Prudential Regulation Authority (APRA) regulated funds is being aligned with the ATO content experience strategy to provide a consistent and clear experience for users of [ato.gov.au](http://ato.gov.au)

The experience focuses on 3 key pillars:

- Findability
- Usability
- Comprehension

The first 2 pillars of this process have commenced which involves the reorganisation of information architecture into primary content and ensuring accessibility for users with varying needs. Regular users may have noticed a different look and feel in how information is displayed, aimed at improving the user experience.

The changes are intended to ensure that content can be found quickly and easily using a wide range of internet search engines, and meet the needs of diverse users, including those with vision impairments.

We are moving into the third phase which involves reviewing our web content to ensure it meets the comprehension pillar of being easily understood and actionable. There are over 180 pieces of content to manage and updates will be made progressively, with an initial focus on popular or critical content. Due to the volume, we will not be sharing tracked changes for each update.

However, for popular content, we will share a news article with a link to the new content and a high-level overview of the changes, like what was recently done for the successor and intra-fund transfer reporting protocol.

Members are encouraged to provide feedback for specific webpages or content improvements, as well as identifying issues that need rectification such as page not found or broken links via the super enquiry service.

## Client account services update – Super enquiry service insights

The super enquiry service (SES) received 914 enquiries since our meeting in October 2024. The main topics were:

- Div 293 queries
- suspended payments
- reconciliations
- unclaimed super money.

ATO initiated 103 requests which have been sent to funds since the introduction of this feature into the SES. The majority have been in relation to SuperStream inbound failed validations and suspended payments.

Members should note they will start to see an increase in ATO initiated requests as other areas start to use the service. This feature will not replace other communication platforms such as Online services for business. It is being used primarily to replace emails initiating from within the different ATO superannuation areas to funds.

It is important to ensure team mailboxes are monitored closely to respond to our requests by the due date. We have noticed some funds are yet to create their team mailboxes. If you need assistance, please contact the Client Relationship Team (CRT).

A question was raised about the security of the SES and whether it is appropriate to use this channel for sensitive information such as TFNs. It was advised that the SES is a secure channel for sending member information, but it should be limited to only data relevant for the query and it is preferable to remove identifiers such as date of birth and TFNs.

SIGBOX is a secure data transfer tool purpose built for government use and is suitable for transferring data such as TFNs and other sensitive information. SIGBOX is our preferred method for transferring data and should always be used if funds are transferring multiple member records.

The main issues the CRT are dealing with include:

- Suspended payments and failed validations - please ensure that you are sending data messages and payments as per the data and message standards.
- Successor fund transfers - please notify us as early as possible, especially if there are accounts to be reconciled. For all parties

concerned, it is easier to reconcile accounts when the unique superannuation identifier (USI) is still active. Once the USI is closed, it becomes a manual, time-consuming process.

- An increase in duplicated or incorrect payments - please be careful when making payments as this does create significant reverse workflow.

Funds receiving ATO refunds - this can relate to other accounts such as income tax. Check Online services for business to ensure that these refunds are not 'other' accounts before lodging a request via the SES.

## Other business

Justin Micale discussed the caretaker period protocols when the government calls an election and its likely impact on the timing of the next meeting. He explained that while consultation groups can continue to meet for matters concerning business as usual topics, they cannot discuss any policy related issues.

He advised as many of the current group topics are policy related, further meetings are likely to be postponed until after the election. Members will be notified of the next meeting date.

QC 104907

# Superannuation Administration Group key messages 29 October 2024

Key topics discussed at the Superannuation Administration Group meeting 29 October 2024.

**Published** 16 December 2024

## Payday super

We are engaging external stakeholders in co-design around policy parameters of the measure and have formed the Payday Super

Working Group. The group will provide advice on the end-to-end administrative solution for Payday super.

Key messages from the working group will be published on [ato.gov.au](http://ato.gov.au) in line with the ATO Consultation framework. In determining membership for the group, consideration was given to stakeholders with a broad range of expertise and experience across different sectors. For those unsuccessful in their application, there will be further opportunities to participate in other technical discussions and workshops as the program moves forward.

Stakeholders will be kept updated through our various stewardship groups and stakeholder relationship groups, like the Superannuation Administration Group.

Members are encouraged to monitor the ATO's website, newsroom articles, and review the fact sheet published on the Treasury website for the most up to date information.

## **Payday super: SuperStream improvements**

Following the government's announcement and fact sheet released in September 2024, the ATO held a workshop with various stakeholders on 9 and 10 October 2024. Irritants and ideas for improvement that were identified in the June workshop was discussed and we prioritised enhancements to SuperStream for further investigation.

Key focus areas identified within SuperStream included:

- getting the data right
- ensuring error messages are meaningful, timely and useful
- timely return of unallocated payments
- enabling payments through the New Payments Platform
- ensuring SuperStream messaging supports ATO matching processes for superannuation guarantee compliance
- enhancing the Fund Validation Services.

These are dependent on developing a detailed understanding of current issues with SuperStream and error messages as well as transaction volumes to support identifying design improvement and enhancement ideas. We are reaching out to industry representatives to further input.

### **Group discussion included:**

- Feedback or communication and reversion of Guidance notes, which are mandatory and not only a 'guide' for funds. Their use aims for consistency of process.
- Can data solutions be used before the committing of expenditure by funds?
- Scenario pack/examples regarding employer contributions are being created.
- Focus area will be error messaging – understanding the issues and solutions available for all stakeholders.
- Clearing houses – what are the main causes of data issues and how we address rectification.
- Insights will allow participants to understand the process and help harmonise errors.
- Successor Fund Transfers (SFT) – currently have a significant impact on error volumes
  - intel provided to the ATO indicate that 20% of errors received by one clearing house were attributed to one SFT this year
  - the ATO has issued a revised SFT protocol and we encourage funds to work closely with us during any SFT process.
- The role of the Superannuation Data Standards Technical Group was clarified. It is a valuable and practical forum that will support detailed SuperStream matters connected to Payday super.

Members were advised to email [paydaysuper@ato.gov.au](mailto:paydaysuper@ato.gov.au) to share any specific feedback they have.

## **Environmental scan**

### **SFT protocol**

A request for the ATO to provide a comparison document to assist funds with easily identifying the changes in the protocol was made. The SFT protocol template format has changed recently, and we agreed to develop and share a document to highlight the key changes made to the protocol.

## **Member account attribute service reporting**

Work between funds and the ATO to ensure transferring fund has successfully closed all accounts reported under the closing Australian business number was discussed. The ATO produces an internal report to ensure there are no open accounts post an SFT. When we identify that the process is not complete, we contact the relevant funds. Some funds and administrators do reach out prior to an SFT to request assistance with data and reporting.

We encourage early engagement with us when undertaking an SFT.

## **Engagement**

Members queried whether there is an opportunity to obtain intel from Australian Prudential Regulation Authority (APRA) as to upcoming SFTs that would allow the ATO to ensure the appropriate engagement of participating funds is undertaken.

We have previously met with APRA to discuss this situation. It is currently a manual process, and this intel could be provided monthly, but not as they are received. We scan external media for intel on up-and-coming SFT's and contact funds as necessary. We also obtain a list of SFT's that the gateways manage through the GOM and compare with what we have on our register.

We recognise the importance of continual improvement in the SFT process including engaging with APRA.

## **Departing Australia superannuation payment**

Members queried if the current process could be reviewed for the departing Australia superannuation payment. Currently the length of time it takes to finalise a transaction is generating complaints from members to fund trustees, and it's not the fault of the funds.

Is there an opportunity to contemporise without law change, or does industry need to advocate for law change?

The ATO is considering the issue and will share further information with this group when appropriate.

## **Better targeted super concessions**

On 9 October 2024 the bills were passed in the House of Representatives and were introduced and read for the first time in the Senate on 10 October. The second reading and corresponding debate has been adjourned until mid-November.

We are still awaiting the outcome regarding consultation of the legislative regulations. A special purpose working group was formed to co-design the administrative solution for this measure. So far decisions made include:

- Changes to the 2025 Self-managed superannuation return (SMSF) annual return (SAR) are being made to adjust the wording of labels to accommodate the repealing of the term accumulation phase value from the income tax assessment act.
  - Label X1 will be changed from accumulation phase value to 'value of accumulation account'.
  - Label X2 will also be changed from retirement phase value to 'value of retirement account' for consistency in wording of these two labels.
- We will update the SAR instructions.
- For funds that are not a SMSF we will update instructions for the member account transaction service (MATS) business implementation guide (BIG) and the fund reporting protocol.

## **Division 296**

To calculate the Division 296 tax super earnings, the ATO will require funds to report information that is not currently reported. We are finalising what information needs to be reported and will share the results with this forum.

For SMSFs, the additional information will be obtained from the SMSF annual return. For non SMSFs, the request for information process (RFI) will be via Online services for business.

## **Request for information**

As we require a fund's annual member closing balance reporting to calculate an individual's total super balance (TSB) to determine if they exceed the \$3 million threshold, we expect to issue the RFI post 31 October.

If an individual is a member of an SMSF and their interest in their SMSF is needed to identify if their TSB will exceed \$3 million, the RFI may not issue until the SMSF lodges their annual return.

The due date for an SMSF to lodge their annual return is between 31 October and 5 June.

Fund's will have 10 business days to respond to the Division 296 RFI and we will develop a transitional arrangement for the first year of operation to ensure funds get the support needed.

The Division 296 RFI will be an approved form and funds will be required to amend Division 296 tax information reported within 30 days of becoming aware of changes required.

## **SFT and Internal fund transfer**

When we are advised by a fund that they are closing due to a SFT, we will request the closing fund provide the Division 296 tax additional information for members that have a TSB over a specified threshold. The closing funds will provide this information via the Division 296 RFI process in Online services for business. The SFT protocol instructions will be updated.

We will work with funds that are involved in an intra-fund transfer on a case-by-case basis to obtain the required Division 296 tax additional information.

There is still a significant amount of design work required for this measure, our next priority topics include:

- How Division 296 release authorities are going to work. We acknowledge that a change to SuperStream is a significant impact to industry and are currently looking at whether we can repurpose the Division 293 product code for Division 296.
- We are close to finalising the information funds are required to report to us, and we will share the results with this group once finalised.
- Finalising the changes required to the 2025–26 SAR to accommodate the collection of Division 296 information.
- Designing the Division 296 notice of assessment, election and ATO online screens.

- We are working on the Division 296 tax web content and changes to the existing TSB content so they will be ready shortly after the measure receives Royal Assent.

In summary there is still a substantial amount of work to do in the co-design process, and the ATO greatly appreciates the support of industry as we move forward.

## **CDBIS – TBC technical changes for a SFT**

The following progress update for Capped defined benefit income stream (CDBIS), transfer balances cap (TBC) technical changes for a successor fund transfer (SFT) included:

- we have identified and contacted all impacted funds and continue to work through actions and options for remediation, and assisted those that are able to remediate by re-reporting
- updates to the SFT/IFT protocol document have been published, and updates to the MATS BIG are underway.

We are seeking self-nomination from funds to get in contact with us if:

- your fund has been a party to an SFT
- your CDBIS members were negatively impacted
- you have not yet been contacted by the ATO to discuss remediation.

Changes due to regulatory amendments were discussed including:

- credit in the successor fund will equal to the debit in the transferring fund
- no net impact to CDBIS members TBA resulting from SFT
- regulations in effect from 6 July 2024 with retrospective application to 1 July 2017
- remediate members previously disadvantaged (any advantage is preserved)

The scope of applicable remediation was discussed including:

- updating the credit transaction in the successor fund (equal to debit transaction in transferring fund)

- recalculation of the highest ever TBA balance
- recalculating the TBC indexation
- recess transfer balance determinations revoked, and refunds generated (where excess transfer balance liability assessments were paid)
- fund re-reporting or internal ATO remediation.

The ATO was thanked for their efforts in the remediation process and acknowledged industry stakeholders have been working collaboratively toward successful outcomes.

## Superannuation on paid parental leave

The amendments to the *Paid Parental Leave Act 2010* to enact the measure are now law. The first payments of the Paid Parental Leave Super Contribution (PPLSC) will be made from July 2026.

The ATO is awaiting further PPL rules to be made to clarify some parameters for the measure, including the fund hierarchy for payments and interest calculations.

PPLSC system and reporting design considerations:

- PPLSC payments will be treated as concessional contributions and taxed in the fund.
- Payments will be made annually from July 2026, with no identified Payday super impacts.
- The PPLSC payment will be based on the SG rate for each financial year, plus an interest component.
- PPLSC payments will be sent to funds by the ATO, even where the base parental leave pay amounts are paid by employers on behalf of Services Australia.

## Member discussion

- Funds agreed that it is beneficial that there is not a wholesale change to current processes.
- Once the PPL rules are finalised, industry would like to be advised as soon as possible.

- Industry feedback is that members may think funds are holding onto their PPLSC payments due to the annual nature of the payments and that it may take 12 months to credit their account. As such, the ATO communication messaging must clearly articulate the process and timeframes.
- The ATO will provide members with details of draft communications where possible.
- The project team is working with Services Australia regarding the communications strategy to ensure consistency of messaging and to manage client expectations.

## Super enquiry service insights

The Super Enquiry Service (SES) received 811 enquiries between 1 August 2024 to 25 October 2024 with the top 5 issues including:

- Division 293
- SVS/SMSF verification
- Reconciliations/Suspended Payments/Data Messages/SOA
- MATS
- Unclaimed superannuation.

## Suspended payments and failed validations

Suspended payments and failed validations (PVA) continues to be time consuming work, especially when the data message and payment are not sent in accordance with the data and payment standards.

There has been a decrease in suspended payments over the last couple of months, mostly due to system fixes implemented by several funds we have been working with.

## Reconciliations

There has been an increase in reconciliations between 1 August 2024 and 25 October 2024, however it is noted that funds are proactively undertaking reconciliations that formed part of messaging in the past.

Funds are encouraged to continue contacting the ATO for any issues or questions regarding PVA and payments.

## **Super enquiry service**

We have commenced creating ATO initiated requests using the new team account function.

Requests will appear in a funds' team mailbox, which is encouraged to be checked often. Early feedback is positive and we thank all funds and administrators who have created the team account and are responding to requests promptly.

The super enquiry service web page will be updated soon to include ATO initiated requests.

## **Member discussion**

Members queried about funds receiving both email and SES initiate requests for the same type of enquiry and the ATO advised this issue will be taken offline and further examined.

We confirmed the super enquiry service will gradually be rolled out across other super products.

QC 103587

## **Superannuation Administration Group key messages 30 July 2024**

Key topics discussed at the Superannuation Administration Group meeting 30 July 2024.

**Last updated** 10 December 2024

## **New ATO Co-chair**

Australian Taxation Office (ATO) Assistant Commissioner Justin Micale will co-chair the Superannuation Administration Group (SAG) from 12 August 2024.

## **Payday Super**

The ATO is awaiting an announcement from government on Payday Super, which is expected to commence on 1 July 2026. Engagement with industry will recommence once an announcement is made.

## **SuperStream workshop**

A SuperStream workshop was held on 25 and 26 June and was attended by a broad range of stakeholders. The purpose of the workshop was to discuss the SuperStream contributions in operation, identifying existing irritants and potential improvements.

The ATO is consolidating the discussion and feedback from the workshop. This will help identify priority issues for further discussion with industry in more detail.

Workshop participants noted a key issue will be assisting employers and members to understand their call to action and highlighted the need for a review of SuperStream contributions independent of Payday Super.

## **Better Targeted Superannuation Concessions**

A Better Targeted Superannuation Concessions Working Group (BTSCWG) has been established to help the ATO understand the industry impacts of the measure and assist in co-design and implementation.

To date the BTSCWG has met twice and has provided valuable insights that will assist in shaping how the proposed law will be administered.

Feedback relating to changes to the total super balance (TSB) definition included:

- The ATO needs to consider the changes required as an individual's TSB, which is currently attributable to the accumulation phase values of super interests not in retirement phase and the transfer balance of any transfer balance accounts, will now be represented by the TSB value.
- Funds will not be ready to value their members benefits under the proposed regulations in time for the annual member balance reporting by 30 June 2025, a concern Treasury is aware of.

- The changes will impact a range of super calculations for affected individuals, including caps, beyond Division 296.
- The ATO recognises the need to work with defined benefit funds to communicate changes to affected individuals. This poses a challenge as the ATO won't know the TSB changes' impact on an individual until after funds lodge their annual balance reporting.

Feedback relating to Division 296 highlighted the need for additional work by the ATO on the contributions and withdrawals that make up the Division 296 tax calculation.

For Division 296 information requests, the general consensus for self-managed super funds (SMSFs) was to use the SMSF annual return. Non-SMSFs favoured a bulk data exchange through Online services for business, similar to the approach used for COVID-19 recontributions.

The timing and frequency of requests for further information, particularly during peak Australian Prudential Regulation Authority (APRA) regulated fund reporting periods, were raised as importance considerations.

Members also highlighted the need for a transitional approach in the first year and noted concerns have been raised regarding changes needed to SuperStream to accommodate the Division 296 tax release authority process.

The ATO will circulate workshop outcomes to the BTSCWG for review.

Over the coming months, the BTSCWG will hold meetings on specific topics including:

- Division 296 excluded earnings, deferred debts, and request for information reporting and amendments
- Successor Fund Transfers (SFT) and Division 296
- communicating TSB value and how to prepare individuals for this change
- communication products including web content, elections, notices of assessment

Feedback and discussion from the group included:

- The outcomes from the BTSC have been very successful.

- There is a need for tools and guidance to support the financial adviser network to adapt to changes.
- Further discussion on the impact on release authorities and rollovers, especially in-transit rollovers, are planned to determine a sensible solution.
- Technical advice is being sought on whether a variety of contributions and withdrawal types, such as insurance payments, should be included in the Division 296 calculation.

## **First Home Super Saver scheme**

Changes are being made to the First Home Super Saver scheme that may impact some APRA funds from 15 September. The 15 September deployment, with all testing completed, and internal readiness activities being finalised.

New APRA fund specific web content was published on 17 July and included in the [Super funds newsroom](#), see Changes to First Home Super Saver scheme for APRA funds.

## **Superannuation portability arrangements with the Cook Islands**

Treasury is awaiting feedback from the Cook Islands regarding the draft Memorandum of Understanding. Once the agreement is close to being finalised, corresponding legislation is expected to be introduced, as laws must be enacted in both Australia and the Cook Islands for the measure to take effect.

## **Superannuation on Paid Parental Leave**

The ATO is working with Services Australia to prepare the necessary infrastructure for the ATO to commence payments in July 2026. Payments will be made annually and include an interest component. Legislation is being worked through and further updates will be provided in due course.

## **Transfer balance cap changes for SFTs**

Regulation changes to reform the treatment of the transfer balance cap for SFTs came into effect on 6 July 2024 and apply retrospectively from 1 July 2017.

The ATO is currently identifying disadvantaged members and will communicate directly with approximately 20 impacted funds to make the required updates. The remediation process will be worked through on a case-by-case basis. Where a member has been impacted by multiple SFTs, remediation will be done sequentially starting with the earliest SFT.

Members questioned what remediation means for Member account transaction service (MATS) reporting. The ATO took the question on notice and will update the group in due course.

The group noted several SFTs currently underway, with funds encouraged to work with their ATO Client Relationship Manager over the remediation period.

## Fraud and security

Intelligence indicates an increase in the number of fraudulent activities impacting funds and their members. This includes accounts created using stolen personal identity information (staging accounts), updates made to existing accounts, and fraudulent rollover requests.

Funds should remain vigilant, enhance the detection of high-risk activities, and minimise their occurrence by:

- applying Know Your Client (KYC) checks for new account openings (especially when created online by an individual) noting the need for changes to anti-money laundering and counter-terrorism laws for KYC to be mandatory
- utilising Multi-Factor Authentication effectively when accessing online portals, making account changes, and requesting rollovers as endorsed in APRA's May 2023 letter
- sharing information with the ATO when suspicious behaviour, data points or fraud are identified to help the ATO assess member situations and take preventative action, information on how to report can be found in the [SuperMatch user guide](#).

Due to privacy provisions, the ATO is limited in the member information it can share.

## **Data integrity**

The ATO will hold a webinar for funds on data quality issues and their impact. Other initiatives to improve data quality include devoting time at SAG meetings to deeper discussion on technical topics. Members noted the amount of time needed for each topic may vary and some may warrant a separate out of session meeting.

The ATO is also trialling a new approach to remediating unlinked MATS, providing funds with a spreadsheet of unlinked MATS with information on why the MATS is unlinked. The process will enable funds to remediate more successfully. It has been trialled with one fund so far resulting in the remediation of approximated 4,500 unlinked MATS. The aim is to roll out this approach more broadly across funds, and more complex issues. Members were supportive of the initiative.

## **Fund administration**

Articles and changes to published web content since the last SAG meeting include:

- Changes to First Home Super Saver scheme for APRA funds Super News, the ATO expressed appreciation for the co-design process which culminated in this article.

## **Client Account Services and Super Enquiry Service insights**

Client Account Services (CAS) are piloting a new feature in the Super Enquiry Service that allows the ATO to email a fund's team mailbox. The initiative is in its early stages and CAS are developing a user guide to support the change. The user guide will be available on [ato.gov.au](http://ato.gov.au).

Approximately 85% of SuperStream payments are being processed successfully, however the remaining suspended payments require substantial remediation. CAS are trialling validation tests to provide funds better visibility of suspended payments, which are often caused by human error.

Suspended payments will be covered in an upcoming webinar and the SAG's forward work program.

## Other business

- Members received a paper with information about the results of the recent APRA fund survey.
- The ATO is considering restarting face-to-face SAG meetings and co-ordinating them with consultation and co-design workshops being undertaken by project teams.
- The group plans to include a technical discussion at the next SAG meeting.

QC 102898

## Superannuation Administration Group key messages 28 May 2024

Key topics discussed at the Superannuation Administration Group meeting 28 May 2024.

**Published** 16 July 2024

## Budget 2024–25 overview

Chair, Larissa Evans provided a brief overview of the Budget announcements. There were 2 items of note relevant to the large fund sector:

- super contributions on government paid parental leave
- funding arrangements for the Gateway Network Governance Body (GNGB).

## Super on parental leave pay

The measure is for babies born or adopted on or after 1 July 2025.

Eligible individuals will receive an additional 12% (the legislated superannuation guarantee rate at the time) of their government funded parental leave payment as a contribution to their superannuation fund.

The ATO will administer the payments, commencing 1 July 2026.

We will direct the payments to the individual's nominated super fund or will determine the super account based on a legislated hierarchy.

Further details about the intended hierarchy will be available when consultation on the draft law is available.

They will be treated as concessional contributions – no changes at this stage for Member Account Attribute Service (MAAS) or Member Account Transaction Service (MATS) reporting.

Monies will flow through as per normal contribution payments using existing SuperStream channels. As such, funds should not have to build any new systems to support the measure.

The payment will be taxed in the fund at 15% consistent with super guarantee payments.

The payment will be reported as concessional contributions and count towards an individual's concessional contributions cap in the year in which they are received.

Questions and discussion from the group included:

- General Interest Charge – specific details are still being determined.
- Individuals will receive notification from Services Australia that they will be receiving the payment from the ATO. We will also communicate with recipients about the payment, including the amount.
- Earnings – detailed design still being worked on around policy parameters. Project groups are being formed and more information will be communicated when available.
- Consideration is being made regarding fund reporting and recovery mechanisms.

## **Payday Super**

Super on payday is a once-in-a-generation reform requiring a whole new approach not only to how super is paid, but to the infrastructure that underpins the superannuation system, as well as the way employees and employers think about and engage with super.

The government is working through the detailed design of payday super after consultation late last year and we await a further announcement.

We are unable to comment about specific elements at this time, however we will share any information to industry as soon as it is available.

Rebecca Krautz was introduced as joining the ATO Payday Super team.

## **Better targeted super concessions**

The Senate Economics Legislation Committee report on the Bills was released 10 May. Treasury has consulted on the regulations, and we are waiting on the outcome.

We have issued an expression of interest to be part of the Better Targeted Super Concessions special purpose working group to various existing consultation groups, Tax Practitioner Stewardship Group, Superannuation Industry Stewardship Group, Superannuation Administration Group and the Digital Service Provider Groups.

The working group is expected to be established in the coming weeks and will assist in the co-design and implementation of the measure.

Consultation will be based on the existing draft law, with requisite changes to the law being incorporated.

We have held consultation sessions with several external stakeholders to seek feedback on public advice and guidance priorities for the measure.

We are working on web content in preparation of the Bills receiving Royal Assent.

The content will provide general information on the Total Super Balance definition change, as well as the Division 296 tax.

We are working with the Attorney Generals Department to issue relevant communications.

## **Gateway Network Governance Body**

Gateway Network Governance Body (GNGB) were pleased to advise that the 2024–25 Federal budget included some positive news for the Superannuation Transaction Network (STN).

GNGB secured an increase to their funding for the forthcoming 4-year period and an ongoing commitment to a new funding baseline.

This will result in ensuring the continued security, efficiency, and reliability of the STN.

Over the next financial year, the funding will be allocated to key initiatives including:

- Working with Gateway Operators to expand the program of resilience testing within the STN.
- Building on superannuation ecosystem collaboration and cooperation.
- Modernisation of GNGB risk management processes.
- Establishment of a dedicated cyber security capability within GNGB.
- Collaborating with Gateway Operators on transparency initiatives to support industry preparation for the payday measure.

An update was provided on Operation Honey Bee:

- On 23 April, GNGB conducted an Incident response simulation across the superannuation ecosystem. The project was named Operation Honey Bee representing the significance of the honey bee to maintaining a healthy ecosystem.
- Participants included Super Funds, Gateway Operators, service providers, regulators and other government agencies.
- The objective being to explore the ecosystem's response to a significant cyber incident impacting multiple organisations.

Key successes and learnings are currently being documented and a summary of these findings will be shared with the group.

## First Home Super Saver Scheme

Legislation is in place for the technical changes to commence as per proclamation on 15 September 2024. This includes:

- [Federal Register of Legislation - Treasury Laws Amendment \(2023 Measures No. 3\) Commencement Proclamation 2024](#) ↗
- [Federal Register of Legislation - Treasury Laws Amendment \(Miscellaneous and Technical Amendments\) Regulations 2024](#) ↗

- [Treasury Laws Amendment \(2023 Measures No. 3\) Act 2023](#)

The updated ATO online system will support the new legislation and allow individuals to:

- make new First Home Super Saver Scheme (FHSSS) requests
- cancel or amend FHSSS determinations
- notify the ATO that they want to make changes to a FHSSS request after the request has been made

The ATO will publish web content for Australian Prudential Regulation Authority (APRA) funds to provide supporting information in relation to the repayment of FHSSS amounts to funds.

## **Mid-year Economic and Fiscal Outlook**

### **Access to Offenders Super for victims and survivors of child sexual abuse:**

- The project has been formally established.
- A high-level solution concept has been costed, and internal funding is pending.
- There has been no receipt of draft law at this stage.
- Design is continuing on the policy parameters that we currently have.
- Due to the government's current legislative agenda, we don't yet have certainty on timing, but are working towards the original timeframes for a start late in 2025.
- We are limited to what we can advise to industry at present but further details will be shared when we have more clarity.

### **Superannuation portability arrangements with the Cook Islands:**

- The project has formally commenced and a project manager has been appointed.
- There has been no receipt of draft law at this stage.
- We are looking at mapping potential problems so we can understand the relevant impacts.

- It is important to note that the MOU arrangements between the Cook Islands National Super Fund and Australia will not commence until law is passed in both jurisdictions.
- There is still a level of uncertainty on when this will occur, which may impact the intended start time.
- We are limited to what we can advise to industry at present but we will share further details when we have more clarity.

**Capped defined benefit income stream. Transfer Balance Cap technical changes for a Successor Fund Transfer (SFT):**

- Regulations are still in draft and public consultation concluded 24 April.
- A reminder to the group that funds should continue to report on the basis of the current law where an SFT event is occurring prior to the law change.
- We understand that successor funds may not be in a position to re-report, particularly where there have been multiple SFTs, and we are working through these implications.
- Our objective for retrospectively impacted clients is to implement the changes as quickly as feasible, keeping the client experience in firm view, and making the process as seamless as possible.
- We are working to identify impacted funds and clients to refine our understanding of the affected population.
- We anticipate working directly with funds that have retrospectively impacted clients to ensure that funds and individual clients are made aware of the impacts and are advised when updates have been applied to their account.
- We continue to work with Treasury on the draft changes and when the law is confirmed, web content and fund guidance will be updated.

## **Reporting and data focus areas**

**Data integrity support:**

- As we focus on data quality issues, we are working to increase the precision with which we talk about data quality.

- We use this focus and greater precision to better downstream data users to identify, understand and treat data integrity issues.
- Not all issues which impede our optimal use of data in our products, programs, models and services are 'data quality' issues.
- As such we will work with data users to understand in what category their issues are and then deliver or support the appropriate action or treatment.
- Workshops are planned over the coming months to work through data anomalies.
- The table below summarises particular issues and the action, support stakeholders can expect from the ATO Data and Services team.

<b>Item Number</b>	<b>Issue</b>	<b>Potential action / support from ATO Data and Services</b>
1	Reporting is incorrect and not in accordance with reporting requirements.	Strategies to improve entity reporting including communication to direct assurance activity.
2	Reporting is correct and in accordance with reporting requirement but is not achieving business case objective.	<p>As reporting requirements changes can be significant change impost on reporting entities, we first consider if there is any feasible way the ATO can adapt use cases to the data that is available or can change our processes or systems to best utilise the data that we have.</p> <p>If no ATO action is possible, we consider</p>

		what reporting requirements need to change and advise on what size and scale this change would be for reporting entities, advise on how it can be managed and likely industry impact/response.
3	Data issues that will present in data (whether from correct or incorrect reporting) that should be controlled/addressed in our use case/system design.	Support understanding and identification of these issues and help to design appropriate controls.

## Fund administration – Intel, insights and communication

Members are reminded of the new SFT form available online and embedded within the SFT protocol.

Many funds are still using the old form which does not provide the level of detail the new form does.

When considering an SFT or an IFT, funds are encouraged to engage with us as early as possible; ideally at least 28 days' notice of your event.

In late April online content was updated regarding Release authorities and included a new problem-solving page to help funds avoid lodgment errors when responding to release authorities.

The updated Release Authority content includes information on:

- timing of responses and negative consequences that could occur for fund members if inaccurate information is reported
- the different types of release authorities and tax treatments
- determinations and notices of assessment, including what can't be disclosed due to privacy restrictions.

Funds are encouraged to review the new content and incorporate it into their business processes.

## **Client Account Services**

Work that is coming through to client account services for action:

- Div293 / RAS issues
- Suspended payments
- Departing Australia superannuation payment online issues for some administrators. – working through these, will need manual intervention until fixed.

There are presently on average 150 activities per day that require intervention:

- The most common error is that there is no Payment Reference Number (PRN) on a payment or the PRN doesn't match what's on the message.
- On occasion the PRN does not transpose correctly – however we have a process to manually correct.

Discussion then centred on whether funds use the original PRN or the refund PRN. The advice is as long as the PRNs match, it does not matter which PRN is used.

PRN anomalies create work for the ATO, and human error is a contributing factor. However, the ATO will continue to contact funds as soon as possible to address issues.

The Chair confirmed the ATO will conduct more in-depth analysis of this issue to manage and mitigate the impacts and understand the root causes. The group will be kept informed of progress and findings.

## **APRA-regulated fund survey results**

There was insufficient time to discuss – called over to next meeting.

## **Other business**

The ATO will be holding the annual Superannuation Industry Simulation event in late June.

Chair, Larissa Evans advised that this will be her last Superannuation Administration Group meeting as she is changing roles and moving to the ATO's Policy and Legislation branch. She has been in this Assistant Commissioner role for the past 5 years and noted that it has been a very rewarding and fulfilling role, and that it has been a pleasure working with such a professional and engaged group of professionals.

Members thanked Larissa for her time and dedication to assisting the superannuation industry during her tenure as Chair.

QC 102778

## **Superannuation Administration Group key messages 27 February 2024**

Key topics discussed at the Superannuation Administration group meeting 27 February 2024.

**Published** 20 May 2024

### **Payday Super**

In late 2023, stakeholder workshops were held post the release of the Treasury consultation paper and focused on:

- how industry can deal with timeliness and volume of transactions
- how we could improve our digital communication channels and be mindful of data quality
- are there opportunities to support employers when payments are not received by the superfund
- the ATO's ability to review information from employers and funds
- what are the impacts for digital service providers.

The ATO is formulating options to provide to government within the next month, for decisions to be made relevant to the 2024–25 Federal

budget. Following the budget and once policy parameters are defined, stakeholders will be engaged in the process.

We are looking to form a Special Purpose Working Group (SPWG) specifically for Payday Super. It will provide overarching advice on end-to-end administrative solutions. Membership and how the group will be formulated is dependent on final policy parameters. We will update stakeholders through stewardship and stakeholder relationship groups.

## **Questions and group discussion**

Can any information be shared prior to the budget announcement?

The ATO will share relevant information as soon as practicable after the budget. The Payday Super SPWG will be a key forum for information sharing.

## **Reversioning of SuperStream**

Before committing resources and funds, government policy direction is needed. We understand this is a major issue for the stakeholder group, as such any feedback on irritants and issues from industry is welcomed.

## **Employer group feedback**

The ATO advised that other stewardship groups have provided feedback on this matter. The main themes are:

- resolution of system complexity
- the Superannuation Guarantee Charge (SGC) is inflexible within the current system
- employers need earlier advice if an SG payment has not been made
- increased costs and administrative requirements in meeting obligations.

## **First Home Super Saver Scheme**

Key points discussed included:

- First Home Super Saver Scheme (FHSS) technical amendments are being progressed with updates to ATO systems and ATO Online, to

support the measures new functionality.

- The process of returning FHSS amounts to super funds will be managed outside SuperStream.
- The varying or revocation of Release Authorities will not disrupt SuperStream interactions between the ATO and super funds.
- The technical changes have a current start date of 20 September but there is a provision to commence law by proclamation which may move the date forward a few days. This will be confirmed later this year.
- Project team continues with system builds that is impacting the individual experience.
- Guidance notes are also being developed to assist stakeholders.
- The ATO has been working with ASP regarding the return of monies process and are developing material to assist.

## **Member comments**

Industry is looking forward to the end solution, and a facts and questions support document with definitive detail would be welcomed. This would help alleviate questions from industry stakeholders.

Is a timeline available for when support material will be published on ATO Online, as relevant information will be required to be disseminated to all funds so procedures and processes can be updated?

The ATO advised that systems are currently being built with testing continuing into the next couple of months. Support materials will be distributed for initial feedback. We are aware that the broader fund audience, and just not this group need to be advised and engaged.

Post meeting comment – Proclamation has been given and the measure will commence from 15 September 2024. Refer to Federal Register of Legislation [Treasury Laws Amendment \(2023 Measures No. 3\) Commencement Proclamation 2024](#) ↗

## **Better Targeted Super Concessions**

Key points discussed included:

- Treasury Laws Amendment (Better Targeted Superannuation Concessions and Other Measures) Bill 2023, and the

Superannuation (Better Targeted Superannuation Concessions) Imposition Bill 2023 were introduced to Parliament on 30 November 2023.

- On 7 December 2023 they were referred to the Senate Economics Legislation Committee for inquiry, with a report due 10 May 2024.
- The closing date for submissions to this inquiry was 23 February 2024.
- Draft regulations for this measure have been released with a consultation period of 15 March to 26 April 2024.
- We have been working with stakeholders to determine the priority issues and identify where public advice and guidance is needed to assist industry to understand and implement the new law.
- We are also considering the administrative options for this measure, and a communications strategy is being formulated.
- Consultation with key external stakeholders will be facilitated by the formation of a SPWG once policy parameters are finalised.

## **Member comments**

Regarding Total Super Balance (TSB) – if the measure changes the valuation methodology, there could be significant code changes required for non-account-based pension products.

Noting that there is a lot of focus on draft law and regulations at this stage, the ATO will continue to engage with industry on further details.

## **Super access for victims and survivors of child sexual abuse**

Key points discussed included:

- The government will allow victims and survivors of child sexual abuse to seek access, via a court order, to additional personal or salary sacrifice superannuation contributions made by the offender.
- No start date has been announced however, it is expected to commence late 2025 and will be confirmed once law progresses.
- Victims will subsequently be able to seek an order from the Federal Circuit and Family Court of Australia to access any additional super

contributions made by the offender.

- A victim can then apply to the ATO to request the court order-directed amount to be paid from the offender's relevant super account.

## **Member comments**

We are looking to implement a low-cost solution for stakeholders via a release authority.

Projected numbers who will utilise this measure are low.

Victims' confidentiality is a concern.

The ATO is working closely with the courts and waiting for legislation.

Industry will be consulted on the visibility and payment process over time as the law is developed and the project progresses.

## **Cook Islands superannuation portability**

Key points discussed included:

- The Australian Government will support a reciprocal superannuation portability arrangement with the Cook Islands. This will enable the transfer of superannuation from Australian superannuation funds to the Cook Islands National Superannuation Fund (CINSF), commencing 1 July 2025.
- This measure would see the development of a separate bilateral agreement to expand Australia's current bilateral Trans-Tasman superannuation portability arrangement.
- It will allow the portability of retirement savings between an Australian complying superannuation fund and the CINSF.
- The projected numbers utilising this measure are assumed to be small.
- Many of the parameters are currently unknown until draft law is received and the bilateral agreement is produced.

## **Member comments**

Industry agreed this measure will have a large impact for funds, with relatively low volumes expected.

Department of Foreign Affairs and Trade and Treasury are working closely with the Cook Islands Government.

There are similarities between this measure and the Kiwi Saver product.

The Intent of the measure is to keep relevant monies within the super system.

## **Transfer balance cap changes for individuals impacted by SFT**

Key points discussed included:

- The intent of this measure is to ensure individuals with a capped defined benefit income stream will not be adversely impacted by mergers or successor fund transfers (SFT). This can occur when the transferring fund and the successor fund have calculated different values for the same income stream.
- Retrospective application – back to 1 July 2017.
- Law is currently being developed to give effect to the measure, and we are anticipating a public consultation period will commence when practical.

## **Member comments**

Initial industry feedback is that the retrospectivity of the measure may cause funds challenges.

At present, the ATO can only advise to proceed with SFT reporting based on the current law.

After public consultation, we will provide whatever guidance we can to assist funds.

## **Engagement and Assurance campaign**

The ATO Engagement and Assurance focus for the next three months will include SuperMatch annual statement of compliance obligations, and data integrity issues.

Funds are reminded that their SuperMatch annual statement of compliance was due by 28 February 2024. We will contact funds that

haven't met this requirement.

Funds who do not provide their statement of compliance by the due date may have their access to SuperMatch switched off.

We are seeing unlinked Member Account Transaction Service (MATS) causing transactions not being linked to a member, and Member Account Attribute Service (MAAS) status date issues causing closed accounts to incorrectly display as open.

Funds should ensure they follow the MATS Business Implementation Guide (BIG) to prevent issues with unlinked MATS, and the MAAS BIG to ensure accuracy around status dates.

We will continue to work with identified funds throughout the coming months to obtain insights into the reasons for these reporting issues. Where appropriate we will be looking to understand what mitigating actions funds will adopt to prevent future data integrity issues.

## Strategies to improve data quality

Key points discussed included:

- The ATO is focused on improving superannuation fund member reporting. This information is essential to the operation of the superannuation system.
- The data is used by over 20 ATO products, such as correctly calculating an individual's contributions caps, employer superannuation guarantee compliance, and the display of member information to ATO Online.
- Quality data has always been essential to the operation of the superannuation system. It is as true as ever with an increasing real time reliance on data, to give effect to new and better ways of managing super grantee compliance as we move towards Payday Super.
- To build on the good work to date and to achieve continued improvement as we mature the superannuation system, we will be working with the superannuation industry over the next 6 to 12 months on improving the timeliness, completeness, and accuracy of the data reported to and held by the ATO.

Our work will focus on:

- increasing the profile and understanding of the importance of quality reporting for member outcomes via
  - Profile - member reporting governance focus through the ATO's Top 1,000 Combined Assurance Review (CAR) Process
  - Education - industry education on how data is used and consumed in ATO systems and administration
  - Compliance - principles and strategy.
- Addressing known data quality issues to improve the quality of data holdings through
  - Triage and analysis - identifying issues that need to be addressed now, and working internally and with industry to establish processes to deal with known quality issues
  - Campaigns - increasing the level of direct engagement through campaign work to improve reporting performance for some funds
  - Policy/law - influencing changes and legislative requirements or reporting standards to assist in addressing data quality issues.

## **Member comments**

The ATO will soon host a Webinar:

- to examine the impacts and opportunities that will flow to individuals
- on how ATO systems will consume and utilise the increased data flows
- to examine the supply chain of how data gets sent to us
- with a focus on dates, integrity of data reporting and system solutions.

The Public Groups CAR program is continuing with approximately half the fund population within the Public Groups Top 1,000 population having been engaged in the program.

The ATO is preparing information about our compliance strategy which will be discussed at the next meeting.

## **Fraud and Security**

Key points discussed included:

- The ATO has seen an increase in attempted impersonation fraud, particularly involving individuals who have met or are approaching preservation age. This is where a fraudster attempts to update key contact information through webchat or over the phone with the intent of taking over the members online account, leading to unauthorised benefit claims or account rollovers to another fund.
- We strongly encourage funds to ensure they have processes in place to identify high risk transactions and have additional controls in place at least for those transactions.
- Key controls identified by the Fraud and Security Working group include Know-Your-Client and Multi-Factor Authentication.
- The ATO recommends ongoing vigilance and monitoring of online activity accounts for automated or bot-like activity. Refer to SuperMatch Alert 39/2023.

## **Member comments**

Fraud and security will continue to be a topic of interest for the Superannuation Administration Group membership. Feedback received was that it is important to hear industry trends, discuss shared experiences across the ATO and industry, and what is occurring at an aggregate level.

The changing of member details using webchat has been identified as a risk. Funds were reminded they are best placed to implement appropriate controls and risk mitigation strategies. The SAG is an appropriate forum for members to share insights and information pertaining to this topic and other high-risk fraud and security matters.

## **Fund administration**

### **Successor and intra fund transfers data quality**

During 2023 we supported funds and administrators through 34 SFT / Intra fund transfers.

Insights gained highlighted some common issues across industry, mostly relating to data quality post-SFT. For example, there are a significant amount of open member accounts still in the system.

Two key reasons identified for ineffective closures are:

- Incorrect account status date reporting - is where funds are reporting the closed MAAS with the account status date field earlier than a previous MAAS. ATO systems will not consume the date and the account remains open.
- Incorrect time stamp - is where a fund submits a MAAS to close the account and the timestamp is prior to a previous timestamp. ATO systems will not process the MAAS as our system will not accept it as the latest update of the member account.

Where possible, we'll be working with affected funds to remediate open accounts. However, there is further work to do on the approach to take where an Australian Business Number (ABN) has subsequently been cancelled post-SFT.

## **Fund communications**

The refreshed [ato.gov.au](http://ato.gov.au) website is live and features a refreshed design, enhanced search functionality and streamlined navigation for a more user-friendly experience.

Content, tools, and calculators on the new website remain unchanged, and redirects have been implemented to ensure that the existing links are intact.

## **Section 20c notices**

Twice a year Super CRT alerts are issued to funds notifying when the ATO will commence issuing s20C notices.

In future, the ATO will no longer utilise this channel and will notify funds through our Super fund newsroom.

The subscriber list for Super News provides coverage for approximately 10,000 subscribers.

## **Bulk stapling service decommissioning**

The bulk request stapling service for employers will no longer be decommissioned in March 2024 but may be decommissioned in the future.

All impacted digital service providers have been contacted individually and [ato.gov](http://ato.gov) content was updated in early February, advising the service is continuing.

## News articles

News articles have been published across various sectors including:

- Tax professionals' news
- Business bulletins
- Digital service providers news
- Super news and SMSF news.

## Member comments

- ABN cancellations
  - Industry feedback was to preference keeping an ABN live. For example, closing an ABN for GST/Tax purposes but keeping the ABN live for member reporting. We will look at amending the SFT protocol, with industry assistance and input. We will consider this feedback as we work through the best approach to manage reporting post SFT.
- SFT discussion
  - Limited service period issues and ineffective closures. We will review and update our guidance where appropriate.
  - Feedback from industry will help inform education content such as news articles, guidance, and direct messaging about getting it right. There are no planned updates to the SFT protocol at this point, specifically relating to this work.

## Client Account Services

From 1 January 2024, there have been 586 enquiries received via the Super Enquiry Service.

Three key topics were:

- Suspended Payments and Failed validations – ensuring the data message and payment are sent as per data and payment standards. Timeframes are critical in resolving issues for suspended payments. We ask that responses are provided within the relevant timeframes to allow us to rectify these as quickly as possible.
- Reconciliations – proactive reconciliations by funds are key, especially prior to SFTs. This includes reconciliations for ATO

accounts. Where there is a SFT occurring, funds are to notify the ATO in advance and ensure there is a contact for the fund.

- Incorrect/duplicate payments – being mindful when making payments for SuperStream (including release authorities) as any duplicate and/or incorrect payments trigger refund requests, this causes significant reverse workflow.

## **APRA fund client experience survey**

The ATO is launching the annual Australian Prudential Regulation Authority (APRA) fund client experience survey on Monday 29 April 2024, key points are:

- The survey will run for 2 weeks and close Friday 10 May 2024.
- It is estimated to take approximately 10 minutes to complete.
- The survey is open to anyone working within the large super fund industry.

The survey is designed to:

- gather feedback on how effectively the ATO and the super fund industry are working together to administer the super system
- help us understand how we can improve our services and engagement with industry.

A Super news article will also issue to support this initiative and stakeholders are encouraged to share the survey with industry colleagues.

QC 102074

## **Superannuation Administration Group key messages 30 October 2023**

Key messages from Superannuation Administration Group meeting 30 October 2023.

## Welcome and opening remarks

Alastair Ramsay opened the meeting with an acknowledgment to country and welcomed new members, Sean Fannin, GBST, Aine English, SS&C Administration Services and Kirsten Samuels, Financial Services Council.

Member expectations were discussed, for example not to disseminate papers outside of the group and members were advised to refer to the recently distributed charter for more information.

## Payday super

Industry members were encouraged to respond to the recent Treasury consultation paper. We are keen to obtain industry views and concerns.

In June and July of 2023 stakeholder consultation workshops were held.

Focus of these groups was primarily ATO administration of the announced policy, challenges, and options for policy implementation. The key topics discussed were:

- data quality, accuracy and timelines of information provided by employees
- existing issues regarding choice of fund (stapling) processes
- inconsistency around Single Touch Payroll (STP) and SuperStream data, leading to validation issues
- speed of payments
- time frames for error response messages and adjustments
- increase of data volume (up to 12 times more often than current)
- current penalty regime
- employers still having issues regarding calculation of Ordinary Time Earnings (OTE)

- support for more frequent payments and information flows
- how to minimise associated costs for end users
- what is achievable up to the commencement date of June 2026
- how do we monitor the compliance component of employers meeting their super guarantee (SG) obligations
- how can we improve the employer experience
- how can the employer extract the relevant information from ATO systems
- some items may also need policy changes to be progressed to Treasury.

## **Feedback and member discussion**

- The stapling service and election of Choice.
- Choice paper forms and hierarchy.
- Integrated service improvements
  - can we integrate the employer and employee service
  - ideas and options are being explored with industry.
- Returned data – raises issues with member identifiers. Tracie Crowden reiterated this is an opportunity to reset and clean up held data.
- OTE calculations – ATO are considering whether any options are available to reduce complexity.
- STP reporting – adjustment solutions and mechanisms were discussed. It was agreed that more detailed design is required.
- SuperStream and potential updates to guidance notes and Binding Implementation Practice (BIP)s.
- Is now the right time to revert the contribution message and make necessary changes.
- Reconciliation processes discussed – what's required to avoid superfluous data input.
- Registration process should be different to contribution process.

- New Payments Platform (NPP) – consideration of making this an approved payment method.
- Bulk Electronic Clearing System (BECS) retirement timelines.
- Member Account Attribute Service (MAAS) and Member Account Transaction Service (MATS). Is there an appetite from industry to change/review?
- Delta utilisation to be reviewed.
- Superannuation Industry (Supervision) Regulations 1994 (SISR) – allocation timeline requirements. Legislative/policy change may be needed through Treasury. Payday Super applies to SG only – however we are unable to comment further at present.

## **Next steps**

The ATO is planning a deeper dive with industry – what changes are feasible, achievable and viable.

Industry consultation will continue into November. There is still a substantial amount of work to be done, the aim is to provide the government decision makers the requisite information to seek wide ranging improvements.

Industry members can email [PaydaySuper@ato.gov.au](mailto:PaydaySuper@ato.gov.au) to be involved in the consultation process.

## **Expanding the use of STP data, managing SG non-compliance**

The data build bringing together STP and super fund data is progressing well and on schedule.

A new nudge correspondence has been developed which will replay back to the employer information they have reported via STP.

The nudge correspondence was extensively user tested with feedback incorporated from internal and external stakeholders including:

- Small Business Stewardship Group
- Superannuation industry
- Communications Content Working Group

- Small Business Ombudsman and the ATO Small Business Consultative forum.

The letter outlines what an employer needs to do. Most importantly to check their records and confirm the data they reported to the ATO is correct.

We have been working with our internal data stewards to refine the process. We will not take any automated actions, for example automated assessments.

We will always take steps to engage an employer directly before any further actions are taken if there is no response to our correspondence.

We will be conducting a small-scale pilot process, and the correspondence will not start being issued until we have fully tested the data set. The aim is to have the new nudges issuing towards the end of 2024.

## **Data Quality**

The increasing importance of data quality reported to and held by the ATO is fundamental to the efficient operation of the superannuation system.

The data reported is utilised by over 20 products within the ATO, such as correctly calculating individual's contributions caps, employer superannuation guarantee compliance, and the display of member information on ATO online.

Quality data and the reliance on reported data is essential to the successful operation of the 20 products across the ATO. The PayDay Super and the Better Targeted Superannuation Concession proposed measures highlight the importance of continuing to work to improve the quality of data.

We recognise that the superannuation reporting system is interdependent and working together with industry is paramount. As such we will be providing a webinar early in 2024 on the use of data within the ATO and its links to the various calculations.

We are currently developing a data quality improvement strategy which we will seek stakeholder input. The strategy will include:

- reducing the number of unlinked and unmatched transactions
- accounts correctly open or closed in ATO systems
- identified data quality issues from data matching for superannuation guarantee.

Shane Moore explained the role of the data stewardship teams within the ATO and reiterated the interconnected nature of this work making it crucial that all areas work together.

The ethical use of this data was discussed, and how we will use it for our nudge campaign.

## Member discussion

- Correct opening and closing of accounts is vital.
- A webinar is planned for February 2024 to explain the downstream use and impacts of member reported data.
- Release authorities and MAAS/MATS interaction.
- Better Targeted Super Concessions was touched on regarding Division 293 interaction
  - Successor Fund Transfers (SFT) and defined benefit member impacts. There is a lot of complexity around this issue. We will engage further with industry when policy and legislation has been finalised.

## Better Targeted Super Concessions

The Better Targeted Superannuation Concessions measure was announced in the 2023–24 Federal Budget on 9 May 2023.

The intent of this change is to improve the equity and sustainability of the super system by reducing the tax concessions available to individuals with a total super balance exceeding \$3 million at the end of the financial year.

It is likely to impact around 80,000 individuals in 2025–26, or approximately 0.5% of individuals with a superannuation account.

99.5% of people with superannuation will not be impacted by this change.

Treasury consulted with industry on the measure post announcement and recently released Treasury Laws Amendment (Better Targeted Superannuation Concessions) Bill 2023 and the Superannuation (Better Targeted Superannuation Concessions) Imposition Bill 2023 which ran for public consultation from 3 to 18 October 2023.

This change will impact members of large funds, SMSFs and Defined Benefit Funds.

The measure will be called Division 296, will start on 1 July 2025, and will apply from the 2025–26 financial year onwards.

It will apply to individuals with a total super balance over \$3 million at the end of the 2025–26 financial year onwards.

These individuals will be subject to a tax of 15% on the proportion of earnings attributable to the balance over \$3 million.

Individuals with a total superannuation balance of less than \$3 million will not be affected.

The change does not place a limit on the amount of money an individual can hold in super and the current contribution rules still apply.

## **Member discussion**

- The irritants industry presently has around Division 293.
- We do not want to exacerbate issues regarding Division 293 following on to Division 296.
- The use of the Division 293 release authority. This issue has not yet been determined; the aim is for minimum impact to funds.
- As soon as we have greater intent and policy direction, there will be wide ranging industry consultation. The co design process is paramount for this measure.
- We are currently working through the design of Division 296 tax and its impacts on individuals, funds, and tax professions. Once policy parameters are finalised, we will consult with key industry stakeholders and this group.
- For any further information or to contact the project team, email [BetterTargetedSuperConcessions@ato.gov.au](mailto:BetterTargetedSuperConcessions@ato.gov.au)

# First home super saver scheme – Technical changes

The technical changes to the first home super saver scheme (FHSSS) received Royal Assent on 20 September 2023, with a commencement date of 20 September 2024.

The ATO is currently consulting on the administrative approach to law implementation which will require:

- individuals to contact the ATO to amend or revoke their FHSS release request
- if eligible, released amounts held by the ATO will need to be returned to a superannuation fund
- communication between the ATO and funds in relation to these payments.

The anticipated volume of amended or revoked FHSS release requests is low. As such the ATO's proposed policy approach is to minimise impacts on superannuation funds when returning FHSSS amounts, and to only seek the component details where the originating superannuation fund is unable to accept the money being returned.

The components of amounts released will be required to ensure the correct treatment of released funds when returned to an alternative superannuation fund.

## Member discussion

- Release authority refund process – what is the default position.
- Hierarchy of returns – components of the following released amounts
  - Eligible Service Period
  - Tax components
    - Tax-free component
    - KiwiSaver tax-free component
    - Taxable component – taxed element
    - Taxable component – untaxed element
  - Preservation amounts

- Preserved amount
- KiwiSaver preserved amount
- Restricted non-preserved amount
- Unrestricted non-preserved amount
- We are forecasting several hundred requests per year
- Payment reference number, traceability, revocations and recontribution issues were raised.
- Technical issues will be discussed further between industry and the ATO.

## Fraud and security

Superannuation Industry Stewardship Group (SISG) Fraud and Security Working group update:

- Following large scale data breaches involving Optus and Medibank, the SISG established a Fraud and Security Working Group.
- This working group was tasked with understanding the impact these data breaches present across a members superannuation lifecycle and how they could be addressed.
- In the initial phase of the working group, members identified several opportunities that could be considered to address increasing vulnerabilities across the super lifecycle from compromised identity information and documents.
- The working group identified those priority opportunities to complete a more detailed assessment of what would be required to implement
  - proof of identity for key transactions – account opening and rollovers
  - multi-factor authentication for key transactions – changing details and significant transactions, such as rollovers or benefits
  - improved information sharing across industry and regulators.

The SISG recommend funds consider introducing Know Your Client (KYC) for accounts opened through online channels and that funds consider introducing Multi-Factor Authentication (MFA) in line with the

principles set out in the letter issued by Australian Prudential Regulation Authority (APRA) to all their regulated entities on 26 May 2023

The ATO is considering if, how, when existing services could be extended to sharing additional information with funds and administrators to help identify and protect their member accounts from potential harm.

## **Member discussion**

- Continuing staging account activity and subsequent SuperMatch Alerts (43 so far this year).
- Intelligence indicating new online account creation has been seen with automated/bot like activity.
- In response, the ATO issued SuperMatch Alert 39/2023 recommending web-application firewalls and fund controls are up to date.
- Funds were encouraged to heighten monitoring of their online channels for this type of activity and advise the ATO if any of this activity was identified.
- APRA has issued a letter to Trustees and their risk officers around system vulnerabilities identified in the SISG fraud working group.

Funds are encouraged to email [sprenablingservices@ato.gov.au](mailto:sprenablingservices@ato.gov.au) for any super fraud related issues.

QC 73804

# **Superannuation Administration Group key messages 28 February 2023**

Key messages from the Superannuation Administration Group meeting 28 February 2023.

**Last updated** 19 July 2023

## Welcome and opening remarks

Larissa Evans opened the meeting with an acknowledgment to country, welcomed those in attendance and introduced ATO Assistant Commissioners Naomi Westwood and Michelle Allen.

- Lauren Doel is leaving BT Financial, and Larissa thanked her for her contribution to the group and welcomed Nick Mensforth who will be BT's replacement.
- Ian Roberts from ART will be leaving the SAG, to join the Large Business Stewardship Group. Thank you to Ian for his input to the group over the years.
- Bill Korras to speak who announced one of the long-standing ATO CRT team members had sadly passed away. The group acknowledged this and offered condolences to team members and family.

## Update on changes impacting funds

Cyclical changes upcoming for the 2023-24 financial year include:

- SG contribution rate increasing to 11%
- defined benefits income cap
- transfer balance cap
- total super balance for non-concessional contributions and co contributions
- CGT lifetime cap.

Plus, anticipated rate changes upcoming over the next few months regarding:

- surcharge
- Division 293
- unclaimed money credit interest
- excess non concessional associated earnings.

1 July 2023 is a key date for changes to occur.

## **Expanding the use of STP data to address SG non-compliance**

The introduction of a corporate initiative that aims to expand the use of STP data to create a transparent view of employees' superannuation guarantee for all funds and all employers in one place which allows the ATO to follow up employer non-compliance more proactively.

The ATO is enhancing the matching of data received from STP and Member Account Transaction Service (MATS) reporting from 1 July 2018. The ATO uses this data today, however this work will enhance it and store the data set differently, so that it can support future improvements and address pain points.

The improvements have been designed to allow the ATO to follow up on employer non-compliance more proactively. The ATO will also be better positioned to help and support employers, however we will continue to maintain a low tolerance for employers who are not doing the right thing.

## **Tax time health check**

The ATO is undertaking a tax time health check process this year. Tax time is seen as a natural touch point and a good opportunity to encourage individuals to do a quick review regarding:

- are their contact details correct?
- does their balance seem accurate?
- do they have any lost super accounts?
- how many super accounts do they have?
- do they want to consolidate multiple accounts to save on fees?
- do they have a nominated death benefit beneficiary for their super fund?

The ATO will be targeting self-preparers and agents, by utilising various marketing and communications strategies. This will be a step-by-step process. Communication products and materials will be shared with industry before deployment. This is the first time the ATO has tried such an initiative and we look forward to further interaction and seeking feedback from industry. Messaging could be tested with this group initially in an out of session meeting.

## Transfer balance cap indexation

On 1 July 2023, indexation of the general transfer balance cap (TBC) is due to occur. This is based on the consumer price index rate for December 2022 and the TBC will index from \$1.7 million to \$1.9 million.

The defined benefit income cap (DBIC) will also index from \$106,250 to \$118,750 and will apply from the 2023-24 financial year. The tax offset will change from \$10,625 to \$11,875.

An individual's highest ever account balance in retirement phase and available cap space will be used to calculate their entitlement to the increment.

We recommend that funds ensure all transfer balance account reports for the 2022-23 financial year are lodged by 30 June 2023, as any delays in reporting will impact the calculation of individual's personal transfer balance cap increments.

Indexation of the general TBC will have flow through consequences to total superannuation balance (TSB) that then flow to non-concessional cap, non-concessional bring forward arrangement, spouse tax offset and co-contributions.

An individual's transfer balance account will be displayed from mid-July on ATO online services on MyGov.

## Calculating entitlements to indexation

ATO will calculate an individual's entitlement to indexation based on information reported to us by funds in the transfer balance account report (TBAR).

Articles have been published in Super News and SMSF News to communicate these changes.

## Fund engagement updates

The Super Enquiry Service continues to work well.

There have been over 400 enquiries in the last 30 days with the majority relating to MATS and SMSF Manual Verifications.

We are currently looking at the outbound feature and ATO internal security and will advise the group when it is up and running.

ATO will continue to monitor use of the SuperMatch service and engage with funds when any concerns are identified. Recent activity gives us the opportunity to remind members they have requirements in the terms and conditions of use to ensure adequate monitoring of their ongoing compliance. Trustees were reminded that any change to their solution or the way in which it is offered requires notification to the ATO and possibly a further application process.

Additionally, failure to provide the annual statement of compliance is a breach of the service terms and conditions. If a trustee identifies any breach of these terms and conditions, they must:

- immediately advise us of that breach in writing to [SPREnablingServices@ato.gov.au](mailto:SPREnablingServices@ato.gov.au)
- immediately stop using the SuperMatch service
- not use the service again until we advise otherwise.

We encourage trustees to continually review their approach to SuperMatch monitoring by actively testing the effectiveness of controls and identifying opportunities to strengthen processes. This will ensure compliance with all aspects of the terms and conditions of use and the user guide is maintained.

In 2022 we discussed opportunities to work more closely with industry to develop a set of monitoring principles for the service. This work was delayed due to other emerging issues across the sector. We are reviewing our approach and updates of progress will be provided at future SAG meetings.

## Other business

Agenda items that were addressed through papers for this meeting.

- member reporting
- campaign update
- Your Future, Your Super update
- update on SISG Fraud Security working group
- focus areas for 2023 SAG meetings.

Other business raised:

- The choice form is scheduled for publishing in April.

- MATS balance reporting, inaccurate data and closed accounts. We have teams working with impacted funds on these issues as an ongoing programme of work.
- Incomplete release authorities revoked and not actioned. Larissa advised this is good intel and our teams will look into these issues.
- Forward focus areas for 2023 SAG meetings. Members agreed this was a good initiative. Tracy Holloway will contact the group and ask for each members top 3 topics in order. Responses will help shape forward meetings.
- Scheduling of the large APRA regulated super fund client experience survey in May.
- Possibility of conducting an upcoming SAG meeting face to face. We are considering conducting this for the June SAG. More detail and placeholder to follow in due course.

QC 73050

## **Superannuation Administration Group key messages 18 April 2023**

Key messages from Superannuation Administration Group meeting 18 April 2023.

**Last updated** 23 May 2023

Key messages from Superannuation Administration Group meeting 18 April 2023

### **Welcome and opening remarks**

Larissa Evans opened the meeting with an acknowledgment to country, welcomed those in attendance.

The Superannuation Administration Group (SAG) charter was shared with members for endorsement on the terms and conditions. The Charter was accepted with no changes or objections.

## **Changes impacting funds**

The Change Integration Office advised the ATO is working with Treasury regarding the co-design of the Better Targeting of Tax Concessions measure.

The federal budget is a few weeks away and we will advise the group of any item that may arise and is of relevance.

## **Member Data Governance review**

Work has begun to leverage our PGI existing combined assurance reviews (CARs) to explore the level of governance funds have over their member reported data.

The fund responses may inform principle-based guidance that could outline a minimum standard of governance and be supported by best practice examples.

The four main governance areas under review are:

- Governance frameworks
- Data collection and protection
- Mergers or Successor Fund transfers
- Change Management.

## **Member comment**

A question was asked about the numbers of funds that have been reviewed as part of the PGI Top 1,000 programme. Tracie Crowden advised approximately 17 at this stage. Reviews are commenced at a staggered pace as case officers become available to undertake them and it is expected the program will continue to run through this calendar year.

## **Campaign update**

The ATO Engagement and Assurance focus for the next three months will include release authorities and unclaimed superannuation monies (USM).

We will work with funds to rectify issues identified as part of our ongoing release authority program relating to excess non-concessional

contributions (ENCC) default elections.

Identified funds will be contacted in the coming weeks and will be required to provide assurances about systems and processes they have in place to ensure accurate release authority responses.

During the USM campaign undertaken by the ATO for the previous due date of 31 October 2022, the most common mistakes made by funds included:

- the use of incorrect unclaimed money day
- the use of incorrect USM codes to properly identify the type of unclaimed money reporting
- the USM data message submitted did not correspond with a payment reference number (PRN)
- a failure to submit a non-lodgment advice if no USM had to be reported.

Funds were reminded that the lodgment due date of 30 April 2023 is fast approaching for outstanding USM obligations.

Campaign activity will commence after the due date of 30 April 2023, and we will engage with funds that have not met their USM reporting obligations.

## **Member comment**

Question raised about the abolishing of red tape in our processes and whether that extends to the USM non-lodgment advice. Larissa advised this requirement is legislated and there are no plans to change this.

## **Your Future, Your Super**

### **Stapled Fund Phase 2**

The wholesale solution remains on track to be available for digital service providers (DSPs) to connect to from late April 2023.

Once DSPs build and connect to the service, the wholesale stapled fund solution can be integrated directly into their business software for employers to use.

Availability has been promoted via the ATO's DSP newsletter on Thursday 13 April, with further engagements and communications planned over the coming weeks.

Initial onboarding of DSPs may be incremental over the following 4 to 6 months due to software developer focus on tax time initiatives and other internal priorities.

## **ATO Standard Super Choice Form**

An updated version has now been published along with supporting web content and external awareness communications.

## **Review of Your Future, Your Super reforms**

The Assistant Treasurer announced the outcomes of the review on Tuesday 4 April. As part of these outcomes Treasury published a summary of responses to the consultation paper.

There are no immediate policy changes to the ATO Your Future, Your Super deliverables of the YourSuper Comparison Tool or Stapling framework.

## **Fraud and Security Working Group**

In response to the large-scale data breaches involving Optus and Medibank, the Superannuation Industry Stewardship Group (SISG) established a Fraud and Security Working Group. This working group is tasked with understanding the impact these data breaches present across a members superannuation lifecycle and how they could be addressed.

Several new vulnerabilities were identified, which the working group are using as a basis to inform new controls to strengthen the overall system. The SISG has endorsed a detailed assessment on implementing 3 priority opportunities:

- Know Your Client at key milestones
- Multi-factor authentication and member confirmation before significant transactions
- Information sharing.

The working group will hold targeted conversations with associations and SISG nominated representatives to understand what we be done

to implement these opportunities, challenges or irritants, and potential timeframes.

Following these conversations recommendations will be presented to the SISG for consideration.

## **Member comments**

- Delays in rollovers would be caused by know-your-client requirements which impact the 3-day rule.
- Proof of identity (POI) was raised by members as an item which is causing resourcing issues and work bottlenecks for funds.
- Members noted clients are sometimes reluctant to answer texts and emails thinking they are scams, when funds are trying to determine POI for rollover purposes, especially for larger transactions.
- It was acknowledged that these are issues outside the scope of the SAG, and a separate forum would need to address. It was suggested this forum could take place when the next SAG meeting convenes in Sydney in late June. The Chair will consider and advise the group.
- If not already engaged through targeted conversations, SAG members were encouraged to provide thoughts or considerations through [fsegovernance@ato.gov.au](mailto:fsegovernance@ato.gov.au).

## **Fund engagement**

Trustees must ensure their SuperMatch monitoring, and controls are adequate, actively testing the effectiveness of controls, and continuing to identify opportunities to strengthen their processes around usage and access of the service.

We have previously worked to develop a set of monitoring guidelines and controls for SuperMatch – setting out some minimum expectations around access and use of the service.

This was delayed but has now commenced and we are looking to share details by the end of May.

Bill Korras acknowledged the group for their patience and condolences whilst his team were dealing with the sudden passing of one of their colleagues.

He advised there were no major concerns or issues for the enquiries his team have received since the last SAG meeting.

There will be a change to the log on screen on 22 April and messaging will be communicated to the group via Superfund news.

Post meeting note – A follow up email was provided to members with further details.

## **Successor fund transfer**

Recent experiences have reaffirmed our commitment to working with industry to review current successor fund transfer (SFT) practices and refine our guidance where needed.

We are seeking feedback on specific and more general aspects of the SFT process with a view to forming an industry agreed approach on good practice. All feedback received so far has been appreciated.

Recent SFTs issues, in particular the use of NIL certification in the fund details register.

Noted the use of NIL causes significant disruption, particularly for employers and clearing houses.

NIL was not designed nor intended for funds to manage close activities for a unique superannuation identifier (USI). The fund validation service (FVS) user guide states the meaning of Nil certification as 'has not achieved certification for rollover or contributions' only.

## **Member comments**

A question was raised regarding if a USI is end-dated and it's not on the FVS, funds cannot respond to or from any messages to that old USI. Julene Vanthoff, ATO confirmed that funds can still send responses with the help of their gateway, and that funds will need to engage with their gateway on this aspect.

Larissa Evans then discussed how we obtain feedback on various issues regarding SFT's, especially involving clearing houses. The ATO will consider bringing clearing houses and funds together to determine how we best achieve this. Any feedback is welcome.

## **Other business**

An Australian Prudential Regulation Authority fund client experience survey should issue to stakeholders in the first week of May. We request and encourage all members to participate in the process. A Super news article will also issue to support this initiative.

There will be a SAG membership refresh process commencing soon. Expression of interest nominations will issue, and it is a chance for current or prospective members to consider their membership, contributions, and engagement with the group.

We are considering the next SAG meeting scheduled for 27 June to be a face-to-face meeting in Sydney. Whether workshops for other relevant issues can occur is still being determined. We are also ensuring those that cannot make the meeting in person will still be able to log in.

There is an upcoming Federal budget in May. Any relevant items that arise relevant to the SAG membership will be distributed to the group.

## **Member comment**

A question was raised regarding the tax time health check. Funds would like information so they can prepare their client contact centres for an increase in call volumes from members checking their super details.

QC 72695

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