SGD 96/2W - Superannuation guarantee: how can an employer work out the value of the labour component of a contract that is wholly or principally for a person's labour under subsection 12(3) of the Superannuation Guarantee (Administration) Act 1992 ?

This document has changed over time. This is a consolidated version of the ruling which was published on *1 September 2026*

Notice of Withdrawal

Superannuation Guarantee Determination

Superannuation guarantee: how can an employer work out the value of the labour component of a contract that is wholly or principally for a person's labour under subsection 12(3) of the *Superannuation Guarantee (Administration) Act 1992*?

Superannuation Guarantee Determination SGD 96/2 is withdrawn with effect from 2 September 2026.

1. SGD 96/2 applies to a person that is treated as an employee under subsection 12(3) of the *Superannuation Guarantee (Administration) Act 1992* (SGAA). It explains, for the purposes of determining the superannuation guarantee charge under the provisions in force prior to 1 July 2026, how their employer can work out the employee's 'salary or wages' based on the value of the labour component of a contract that is wholly or principally for the person's labour.

2. From 1 July 2026, the relevant provisions of the SGAA have been substantially amended by the *Treasury Laws Amendment (Payday Superannuation) Act 2025*, including introducing a new concept of 'qualifying earnings' as the amount of earnings on which individual superannuation guarantee amounts are calculated. Paragraph 10A(1)(d) of the SGAA includes in the definition of qualifying earnings 'all payments under a contract referred to in subsection 12(3) that are in respect of the person's labour under the contract'. The concept of 'salary or wages' is no longer relevant to the calculation of the superannuation guarantee charge, it is only relevant to quarters ending on or before 30 June 2026. SGD 96/2 is therefore withdrawn.

3. To the extent that the views in SGD 96/2 remain relevant for qualifying earnings under paragraph 10A(1)(d) of the SGAA, they have been incorporated into draft Superannuation Guarantee Determination SGD 2026/D1 *Superannuation guarantee: working out the payments in respect of a person's labour under a contract referred to in subsection 12(3) of the Superannuation Guarantee (Administration) Act 1992*.

Commissioner of Taxation
1 September 2026

ATO references
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