

# Super Guarantee Rate Rises in July to 11%



In July 2023, the superannuation guarantee statutory rate will rise to 11%. Annually, the rate is increasing by 0.5% until July 2025 when it will reach the legislated 12%.

## Prepare Now for the July Rate Rise

- Review your current superannuation costs for all employees, both hourly and salaried.
- Review any salary packaging arrangements. Is the agreement inclusive of superannuation or is super paid on top of the agreed salary?
- For salary packages inclusive of super, you will need to check the contract's wording to make sure you apply the changes correctly. This change may also impact annualised salary arrangements.
- Calculate your revised payroll costs from July, showing the current wages and superannuation expense compared to the new rate from July. Highlight the increased amount per month or quarter, so you know precisely what the impact will be.
- Discuss the super rate increase with your employees now. Let them know that there will be an increase of 0.5% each year from now until July 2025 when the statutory rate will reach 12% and remain there.
- Remember – short payment or late payment of super can incur hefty penalties – plan now for higher payroll

expenses from July, so you don't get caught short.

If you'd like help reviewing payroll costs and employee agreements, talk to us now, and we'll make sure you have accurate reports to make planning for the rate rise easy.

Getting organised now means that you'll be well prepared for your business's increased costs when the first payment is due later this year.