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The process for ceasing members

When a member ceases working at your agency there are some important things that need to be done. The process to follow will depend on which scheme the employee belongs to.

For PSSap members

Ceasing a PSSap member is all electronic and there is no paperwork.

When an employee (who is a PSSap member) ceases employment with your agency you should report the cessation date and the correct reason for cessation, through the Payroll Interface File (PIF). If you are reporting data manually you should go directly to the contribution grid and cease the member. Your agency is not required to fill in any forms for the cessation.

PSSap members' Death and Total and Permanent Disability (TPD) cover continues for up to two months after the membership has ceased. A member may apply to continue their Death and TPD cover beyond this period within 60 days of leaving employment. Members who wish to continue their cover must apply directly to AIG Life.

However, it is important that the cease date is known to make sure that members receive the insurance cover they are entitled to under the policy.

PSSap members should call us on **1300 725 171** for more information.

For PSS members

When an employee ceases employment with your agency you should report the cessation date, and the correct reason for cessation, through the Payroll Interface File (PIF). If you are reporting data manually you should go directly to the contributions grid and cease the member.

You should provide the employee with a benefit application form based on their type of exit from employment. Benefit application forms are available in the **Forms and publications** area at www.pss.gov.au

After the employee has completed the benefit papers, these should be returned to the personnel section to complete the departmental report. It is important to ensure that all necessary salary for superannuation information has been provided and is current as this information is used to calculate the member's withdrawal or retirement benefit. The **How to complete departmental reports for PSS and CSS members** quick guide provides information on completing benefit application forms and understanding what salary for superannuation should be used. You can download a copy from the Employer website in the **Learning centre**, under **Quick guides**.

Completed benefit application forms should be sent to us as soon as possible to avoid delays in processing.

The process for ceasing members—cont'

For CSS members

When an employee ceases employment with your agency you should report the cessation date, and the correct reason for cessation, through the Payroll Interface File (PIF). If you are reporting data manually you should go directly to the contributions grid and cease the member.

You should provide the employee with a benefit application form based on their type of exit from employment.

Benefit application forms are available in the **Forms and publications** area at www.css.gov.au

When an employee completes the benefit papers they need to be provided to their personnel section to complete

the departmental report. It is important to ensure that all necessary salary for superannuation information has been provided and is current, that is the actual salary for superannuation at the member's date of exit.

The **How to complete departmental reports for PSS and CSS members** quick guide provides information on completing benefit application forms and understanding what salary for superannuation should be used. You can download a copy from the Employer website in the **Learning centre**, under **Quick guides**.

Completed benefit application forms should be sent to us as soon as possible to avoid delays in processing.

Current topics

Update on Member Statement distribution

We are pleased to advise that CSS Member Statements were distributed from 29 October to 5 November 2007. There are still approximately 2,000 members whose statement requires a manual calculation. We anticipate that they will be distributed by Friday 7 December.

We are still experiencing delays with the distribution of PSS Member Statements.

We will inform you through Employer News and the news section of the employer website when we know further details.

Update on PSSap refunds

We have started processing requests for refunds of any overpaid contributions to the PSSap. We appreciate your patience as we work through the backlog of requests.

If you have any urgent requests and you have not already advised us of its urgency please email pssapcontributions@comsuper.gov.au

Budget 2007 update – super news

New government proposals affecting the PSS and CSS were announced in the 2007 Budget. In the October edition of Employer News we outlined the upcoming Maximum Benefits Limits (MBL) changes and what it would mean for members.

What does this mean for you?

If you have an employee who has previously reached their MBL, they will have the option of recommencing member contributions as of the first payday in January 2008. Once they recommence contributions they will be required to continue contributing at least 2% until July 2008.

Currently for members who have reached their MBL, productivity (EPSC) is not payable. However, from 1 January 2008 productivity is payable for all members who have reached their MBL regardless of whether the employee recommences contributions or not.

If you do not pay productivity for these members, you will receive warnings in Employer Services Online.

Please note that when the member reaches the new MBL productivity will no longer be payable.

See the article on the following page for an outline of the changes that will come into effect from 1 July 2008.

Don't let PSSap members be adversely affected by no TFN

As part of the Better Super changes, from 1 July 2007, all super funds must have members' Tax File Numbers (TFNs) on record in order to accept after-tax contributions on behalf of members.

In previous editions we requested your help in providing us with members' TFNs. Although we had a great response, we still have quite a few PSSap TFNs missing. For those PSSap members for whom we don't have a TFN, we are unable to accept member contributions from employers and we may also be required to withhold tax at the marginal tax rate (plus the Medicare Levy) on any employer and PSSap salary sacrifice contributions.

To help make sure that PSSap members aren't adversely affected you can do the following:

For existing members

There may be a number of reasons why you haven't received a valid TFN from some of your employees, for example:

- > the employee has not provided you with the authority to pass it on to us
- > the employee has not provided a valid TFN to you; or
- > the employee has provided a temporary TFN and this has not been replaced with a valid TFN.

Whatever the reason, please advise relevant employees about the implications of not providing a TFN and seek their agreement to pass on their valid TFN to us as soon as possible.

To assist you in communicating this to your employees you can use the suggested text for an email to employees which can be found in edition 162 of Employer News.

If you would like a list of your members in the PSSap for whom we have not received a valid TFN, then please email employer.help@comsuper.gov.au with your request.

For new members

When a new employee joins the PSSap please ensure that you include their TFN through your ESO data submissions.

1 July Budget changes explained

The government announced a number of reforms in the 2007 Budget that will come into effect from 1 July 2008.

Choice of fund

From 1 July 2008, all contributing PSS members will be able to choose their own superannuation arrangements. Previously, PSS members were not able to choose to have contributions made to a scheme other than the PSS. Now PSS members will have choice by first moving to the PSSap and then, as a result, being able to choose. Members have an open timeframe (that is, no pressure to act straight away), however if a PSS member chooses to leave the scheme, they cannot rejoin at a later date and existing benefits are preserved (taxed component will grow at Fund earning rate, untaxed component will grow in line with CPI).

Removal of the requirement for mandatory member contributions

Currently, member contributions in the PSS and CSS are compulsory. From 1 July 2008, PSS and CSS contributing members can elect to stop paying member contributions to the Schemes.

For PSS members who elect to stop paying contributions, their employer benefit will accrue at a reduced rate during the period the member is not contributing.

For CSS members who elect to stop payment contributions, their employer contributions will be unaffected, however, it will affect future lump sum benefits. If a member is planning on resigning and preserving, a reduced rate of contribution will also affect their final pension from the CSS.

What does this mean for you?

We will keep you updated about these new rules and the impact they may have on you through Employer News.

If members require more information

PSS: 1300 000 377

CSS: 1300 000 277

Quick guides now available online

In July 2007, we launched the new Employer Centre with a user-friendly structure which provides easier access to the information and tools you need to administer super for your agency.

We have also been updating all materials available to you on this website and are pleased to advise you that we now have a number of quick guides available online for you to use.

The quick guides provide you with clear instruction on PSSap, PSS and CSS topics.

You can find the following quick guides under the **Learning centre** then select **Quick guides**:

All schemes

- > Membership Eligibility
- > Part time members
- > What to do in the case of a contributing member's death
- > Casuals
- > Continuous service and membership numbers
- > How to complete departmental reports for CSS and PSS members
- > Tax File Numbers
- > Salary reductions

CSS

- > Part time members
- > Transition to retirement

PSSap

- > Commencing new members
- > Ceasing members

What's new

New PSS Product Disclosure Statement (PDS) coming soon

A new edition of the PSS PDS will be available from late-November onwards, both online and in print.

The new edition has up-to-date information about the PSS and a new design makes it easier for members to find the information they need about the benefits, risks and costs of joining the PSS. As a result, the new PDS is very user friendly.

Remember – if your agency prefers paper-free communications, you can send employees an email with a link to the new PDS online at www.pss.gov.au

How to order

To order free copies of the new PSS PDS just select Forms and publications then PSS in the Employer Centre at www.aria.gov.au Don't forget to destroy any old copies you may have in stock.

Please note that the PSS Starter Kit is no longer available. If you have a member who is re-entering the PSS you will need to order your CMAPS forms separately.

ESO quick tip

Submitting contribution files for new PSSap members

When setting up a new PSSap member using the eligibility determiner please be aware that the information will not be transferred through to our administration system until the following day.

This means that you are unable to set up a new member and submit the contributions file on the same day. You should always submit their file the following day.

You may get the following message:

'error 0605 – This member is invalid and does not exist on our system. Use the eligibility determiner to get a new member number.'

However, in this case, you should not use the eligibility determiner to get a new member number. You should submit the file the following day.

If you continue to receive the above error, please contact Employer Help (our contact details are on the last page).

Frequently Asked Questions

Do I still need to get new employees to complete a CMAPS form if they are re-entering the PSS?

Yes. Every time an employee recommences in the PSS (with a new AGS number) they need to complete a new CMAPS form. The form needs to be lodged with you within 14 days of the employee commencing. If the form is not completed within this time, the employee is automatically declared a limited benefits member (LBM) until the form is completed or they have completed three years of membership. If the employee dies or becomes an invalid whilst they are a LBM, their benefit will be limited to their accrued benefit at the date of retirement (that is, no future service is taken into account).

What is happening with the upcoming 1 July 2008 changes in regards to reporting of Ordinary Time Earnings for PSS and CSS members?

We are still waiting for further instructions from the Department of Finance and Administration regarding the reporting requirements. We will provide further information through Employer News as soon as we are informed.

See the '1 July Budget changes explained' article in this edition for an explanation of the changes.

AWFY update

Don't miss out – book a FREE workplace workshop for 2008

Our At Work for You team has started scheduling visits around Australia for the 2008 At Work for You member program. This program makes it easy for you by coming to your workplace to help your employees make the most of their super.

For more information or to request a workplace workshop for 2008 just email atworkforemployers@aria.gov.au now.

Don't forget our employer training provides administrative support and specialised services to help you streamline your super workload. Please contact Employer Help to find out how we can help you - see our contact details below.

Contact details



Employer Help Desk

Email employer.help@comsuper.gov.au
Phone 02 6272 9993
Fax 02 6272 9816
Web www.aria.gov.au
(select Employer Centre)

At Work for You

Email atworkforemployers@aria.gov.au
Phone 02 6263 6999