



Employer quickguide

Changes to Maximum Benefit Limits (MBL) from 1 January 2008

MBL rates will change from 1 January 2008 as a result of legislative changes.

The tables below outline the existing MBL rates and the new rates that come into effect 1 January 2008.

Table 1: MBLs applying from 1 July 2007 until 31 December 2007

Average salary	Maximum benefit
Less than \$51,010	\$408,080
\$51,010 or more but less than \$81,610	8 x average salary
\$81,610 or more but less than \$151,500	\$163,220 plus 6 times average salary
\$151,500 or more	\$617,720 plus 3 times average salary

Table 2: MBLs applying from 1 January 2008

Average salary	Maximum benefit
* Less than \$50,000	\$500,000
\$50,000 or more	10 x average salary

* Indexed by AWOTE

On 14 November 2007 we provided agencies with a list of members who have previously reached their MBLs in the PSS.

From 1 January 2008 employers are requested to recommence productivity payments (EPSC) for these members regardless of whether they elect to recommence member contributions or not. EPSC will then stop once they have reached the new revised MBL rates.

What are you required to do?

- > EPSC must recommence from 1 January 2008. A full EPSC contribution is due on the first payday 10 January 2008.
- > If a member has elected to contribute, a full contribution will be due based on the date of the election of the nominated member contribution rate.
- > Employer liability (PAYG) continues to be paid until the member ceases employment.
- > Reporting of birthday reviews continues until such time as the member ceases employment.

- > There is no change to the Payroll Interface File however system changes to your payroll may be required.
- > New Employer Services Online validations will be introduced from 1 January 2008 to support these changes.

What do members have to do?

Members will receive a letter in late November 2007 outlining the new changes and the increase of the MBL rate.

Members will be provided with a **PSS – Change my super contribution rate form** to complete and return to their personnel section (if they intend to recommence contributions). An email to the personnel is also an acceptable election; however this will be on the basis of the individual agencies policy. The form should **not** be sent to us but should be retained on the members personnel file.

The following will apply:

The member will be given the option of recommencing their contributions from 1 January 2008. This amount will be in accordance with PSS scheme rules of between 2 and 10%. There will be no retrospective member contributions allowed for the period from when the member met their previous MBL to the rule change effective 1 January 2008. When a member elects to contribute on 1 January 2008, they will not be able to revert to a 0% rate at this time.

For members that choose not recommence contributions – they will still accrue a benefit multiple of 0.11 per annum from 1 January 2008 onwards until they reach their new MBL.

Please contact Employer Help for assistance on:

Phone: 02 6272 9993

Email: employer.help@comsuper.gov.au