



Training notes – PSS

Contributions to PSS



**Commonwealth
 Superannuation
 Corporation**

The information provided in this form is general advice only and has been prepared without taking account of your personal objectives, financial situation or needs. Before acting on any such general advice, you should consider the appropriateness of the advice, having regard to your own objectives, financial situation and needs. You may wish to consult a licensed financial advisor. You should obtain a copy of the relevant Product Disclosure Statement (PDS) and consider its contents before making any decision regarding your super.

Commonwealth Superannuation Corporation (CSC) ABN: 48 882 817 243, AFSL: 238069, RSEL: L0001397

Defence Force Retirement and Death Benefits Scheme
 ABN: 39 798 362 763

Australian Defence Force Superannuation
 ABN: 90 302 247 344
 RSE: R1077063

Commonwealth Superannuation Scheme
 ABN: 19 415 776 361
 RSE: R1004649

Public Sector Superannuation accumulation plan
 ABN: 65 127 917 725
 RSE: R1004601

Military Superannuation and Benefits Scheme
 ABN: 50 925 523 120
 RSE: R1000306

Australian Defence Force Cover
 ABN: 64 250 674 722

Public Sector Superannuation Scheme
 ABN: 74 172 177 893
 RSE: R1004595

1922 Scheme
 DFRB Scheme
 PNG Scheme
 DFSPB
 CSC retirement income

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Contributions to PSS

These notes are not a substitute for the *Superannuation Act 1990*, the Trust Deeds or the Rules for the administration of the scheme.

As provisions change you will be advised by way of Department of Finance superannuation circulars and Employer News.

Commencement of contributions

Contributions should be commenced with effect from the date the employee becomes a member of the scheme. The first contribution is due on the first payday after commencing membership.

Contributors who become members on a contribution day (i.e. public service payday) must make a contribution in respect of that contribution day.

Minimum contribution rate

For contributors to PSS, the minimum contribution rate is 0% however, in the absence of a nominated % rate, the PSS rules stipulate that 5% is to be used as the default rate. When a member has elected to pay a contribution rate of 0% they accrue 0.11% of their average salary if they continued to pay contributions at the same rate for a full year.

Maximum contribution rate

Members may elect to vary their contributions as often as they like to 0% or between 2% and 10% (maximum) of super salary, provided that the amount is a whole percentage. There is no 1% or half percentages e.g. 5.5% contribution rates in PSS.

Any election to vary contributions takes effect from the following payday that the member has varied their contributions. If a member changes their contribution rate on a payday it is effective that payday and a negative adjustment will need to be processed the following payday to amend arrears. The date of effect that gets reported to us is the actual date that the member has elected to vary their contribution rate.

Contributions payable

Contributions are payable on each public service payday in respect of which a contributor is a member of the scheme (i.e. they were not on leave without pay not to count for superannuation purposes on the payday).

A **full** contribution, this includes contributions at 0%, is payable irrespective of the fact that salary may have been payable for only a portion of that pay period. Equally however, should a member be employed for most of a pay period but cease to be a member or commence on non-contributory leave prior to the payday, no contribution is payable on that payday.

Calculating the contribution for full–time employees

Calculating the contribution amount		
Step	Action	Example
1	Annual rate of superannuation salary & superannuation allowances	$\$30,000 + \$5,500 = \$35,500$
2	Fortnightly rate of super. Salary & allowances (divide by 26)	$\$35,500 \div 26 = \$1,365.38$
3	Determine 5% basic rate of contribution	$\$1,365.39 \times 5\% = \68.27
4	If the amount calculated in Step 3 is not a multiple of 10 cents, then it must not be rounded up to the next highest multiple of 10 cents.	\$68.27
5	If the contributor is paying at a rate other than 5% of contributions (e.g. 8%) calculate the actual contribution amount by multiplying the result arrived at in Step 2 by 8%. Do not round up. This method holds for all contributor types when determining a \$ amount for a % rate.	$\$1,365.39 \times 8\% = \109.23

Contributions for regular part–time members, casuals and per diem employees

These are covered in the PSS Part–time/Casual Training notes.

Members in receipt of a Partial Invalidity Pension (PIP)

From the birthday following the partial invalidity pension becoming payable, contributions are reduced to reflect the lower salary or lesser hours being worked.

Benefits continue to be based on the former updated salary and allowances if PIP is payable due to a salary reduction, and/or hours previously worked if PIP is payable for reduction in hours. You must also pay the productivity on salary applying and hours worked, prior to the PIP becoming payable.

The former salary is updated in accordance with the applicable PSS salary reduction rules. Refer to the **PSS salary reduction** module for advice on updating the former salary.

It is therefore necessary for your Agency to provide us with the following information on each anniversary for the member receiving a PIP:

- a contribution salary
- a notional salary for benefit calculation
- full time hours
- part–time hours.

Note: where the member is working reduced hours and receiving PIP, but is not an approved part–time employee, contributions remain payable at the full–time rate.

Contributions for periods of Leave Without Pay

Members may apply for leave without pay (LWOP) for a variety of reasons.

- **Contributions are payable for periods of LWOP granted for 12 weeks or less**, except where a member is on maternity or parental leave.
- Members on unpaid maternity or parental leave of any duration are not required to contribute on any public service payday falling during that period. However, they may elect to pay contributions at any time during that period. A member must elect to pay at a rate between 2% and 10% during this period. In the absence of a valid election the contributions will need to be set at the default rate of 5%.
- Members are not permitted to pay 0% contributions during this period of leave. If prior to commencing the leave the member was paying 0% contributions then at the end of the leave the contribution rate must be recommenced at 0%.
- Members on a mandatory period of maternity leave **without pay** (i.e. those not eligible for paid maternity leave) are not required to contribute, but may elect to do so. These members are not permitted, if they elect, to contribute at 0%. They must pay contributions between 2% and 10%.
- Members, who have the payment of their 12 weeks maternity leave spread over 24 weeks for administration purposes, are regarded as being on 12 weeks paid maternity leave. They must contribute for the first 12 weeks and may elect to contribute for the following 12 weeks, which is technically maternity leave without pay.

It should be noted that an election must be made on or before the contribution day or days on which the member wishes to pay. An election does not apply to preceding paydays and cannot be backdated. There is no set form on which to elect.

Essentially, the superannuation legislation states that contributors granted LWOP for periods exceeding 12 weeks are not permitted to make superannuation contributions during that period.

From 1 July 2003 contributions may be paid if the person's usual employer agrees to continue payment of the employer superannuation contributions an example of this could be an employee who has been granted leave to study.

Other exception cases (excluded periods) where members may pay for periods in excess of 12 weeks are as follows:

EXCLUDED PERIODS OF LEAVE

- **LWOP to engage in other employment.** Contributions must be paid if the person's temporary employer agrees to continue payment of the employer superannuation contributions. A member must elect to pay on a percentage rate between 2% and 10% if the period exceeds 12 weeks. In the absence of a valid election the contributions will need to be set at the default rate of 5%.

Members are not permitted to pay 0% contributions during this period of leave if the leave exceeds 12 weeks. If prior to commencing the leave the member was paying 0% contributions then at the end of the leave the contribution rate must be recommenced at 0%.

For this LWOP to be recognised as contributory service, the temporary employer must pay the employer and productivity component. In cases where the temporary employer is willing to pay both the full employer liability under PSS and other superannuation contributions it is possible for the member to accumulate benefits in respect of both schemes.

You are required to determine whether the temporary employer is prepared to meet PSS costs before the contributor commences the LWOP. If the other employer does not agree to meet the employer component, or the member has to contribute to the new employer's superannuation scheme, then contributions to PSS cannot be paid.

The percentage of the employer component is as follows:

- The employer liability is generally the parent agency's specific contribution rate as set by the previous actuarial review. This rate is a percentage of salary for superannuation purposes **plus** the productivity component.
- Where the member is on LWOP from an organisation which meets its employer component on an emerging costs basis, i.e. where they pay a one off payment annually, the rate applicable is the long term cost rate because these agencies do not have individual rates allocated to them. The employer component must be paid directly to the parent agency, e.g. agencies of the ACT Government.

LWOP remittance advice – S637

The new employer should be provided with the **LWOP Remittance Advice, S637**, which can be printed from the EAC website under Forms. This form must accompany all payments forwarded to the CPM to enable easy identification of the member, the member's AGS number, paydays or period for payments and components of the amount received.

It is the parent agency's responsibility to ensure that the new employer is aware of the member's salary for super on commencement and the new salary for super at each anniversary. It is also the parent agency's responsibility to ensure that all correct payments are made to us or your agency if you are on an emerging cost basis.

If a member elected to pay 0% contributions during a period of excluded LWOP which initially was approved for 12 weeks or less and the LWOP is later extended beyond 12 weeks, then the member must pay contributions between 2% and 10% (except compensation leave) from the date of commencement of the leave (not just from the 12th week onwards)

- Members on Defence Force Leave who must contribute to Military Super are under normal LWOP provisions i.e. if the period of leave is greater than 12 weeks no contributions are due or payable. However, if the member is a recipient of a DFRDB benefit, LWOP in the Interest of the Service may apply. (Refer cases to us for LWOP provisions)
- Members on sick leave without pay: when a member is on sick leave without pay contributions are due to be paid to PSS. Where a member is on sick leave without pay and contributes at 0% the member is able to contribute at this rate if the leave is less than 12 weeks. If this leave is extended beyond 12 weeks then a contribution rate between 2% and 10% is payable for the entire period of the leave (first 12 weeks plus additional period). In the absence of an election the employer must set the contribution rate to the default rate at 5%. This rate is for the period of leave only and will need to be set back to 0% at the end of the leave. There is no election required by the member.
- All sick leave, regardless of the length and rate of pay, counts as service. Contributions are therefore payable for the entire period of leave. Please refer to the above dot point outlining 0% contributions.

Other leave

Other instances of leave where contributions must be paid (this includes contributions payable at 0%) are:

- any periods of leave on reduced pay
- unauthorised absence and suspension without pay
- for leave without pay for 12 weeks or less.

Where members are on leave on reduced pay or without pay, they may apply for approval from us to defer payment of their contributions until they return to full pay. Approval will not always be given and should not be taken for granted. *This will not be necessary if the member is contributing at 0%*

Note:

- ***When contributions are not payable, the employer productivity benefit does not accrue.***
- ***When contributions are payable, the employer productivity benefit does accrue and must be paid to us fortnightly.***

Payment of contributions during periods of Leave Without Pay

Members may pay contributions 'due' for periods on leave without pay by cheque to us. The cheque must be accompanied by a letter advising the member's details such as name, AGS number, and reason for payment.

Members can also make payments for their contributions through BPAY. The member will need to be provided with an Access Number by calling us on 1300 000 377. They will be able to then log onto member services online to obtain their biller details. They will then need to contact their own financial institution to make the transaction.

If members intend to pay their member contributions while on a period of LWOP they should be reminded to contact their employer to confirm the amount due during the period of LWOP. They should then advise their employer of the amount paid to us.

Pre–assessment payments

It should be noted that while we grant income support pending invalidity retirement by way of pre–assessment payments, it does not grant leave. Therefore, agencies must cover the period of absence by the grant of sick leave. Therefore, full contributions are payable.

Compensation leave

- Where members are on leave on reduced pay or without pay, they may apply for approval to defer payment of their contributions until they return to full pay. Approval will not always be given and should not be taken for granted. *This will not be necessary if the member is contributing at 0%:*
 - the member contributed below 5% on each of the four contribution due days immediately preceding the period of compensation leave – in this case the minimum rate payable is the highest rate at which contributions were paid on any of those four contribution days
- or
- if the member contributed 0% on each of the four contribution due days immediately preceding the period of compensation leave – the minimum rate payable is 2%
- members are not permitted to pay 0% contributions during this period of leave.

The table below will give you a guide to the contributions payable whilst the member is in receipt of compensation payments.

Examples – Contributions % range allowed on compensation leave

Contribution due days before leave					% Range allowed
	1st	2nd	3rd	4th	
% Paid	7%	7%	8%	9%	5% to 10%
% Paid	3%	6%	2%	3%	5% to 10%
% Paid	2%	4%	3%	2%	4% to 10%
% Paid	3%	0%	0%	0%	3% to 10%
% Paid	0%	0%	0%	0%	2% to 10%

Payment of contributions while on leave

Type of leave	Contributions
Recreation	Full contributions at full pay rate
Sick – full pay	Full contributions at full pay rate
Sick – half pay	Full contributions at full pay rate
Sick – without pay	Full contributions at full pay rate*
Compensation	Full contributions at full pay rate*
Long Service	Full contributions at full pay rate
Long Service – half pay	Full contributions at full pay rate
Maternity	Full contributions if on paid leave. No contributions when on unpaid leave but may elect to pay*

Payment of contribution while on leave

Parental	Same as for unpaid maternity leave*
Unauthorised absence	Full contributions at full pay rate
Suspension – with or without pay	Full contributions at full pay rate
Study leave	Full contributions at full pay rate
Study LWOP	Leave approved prior to 1 July 2003, contributions were not required but the member could elect, prior to commencement of leave to pay (Maximum of 2 yrs.). Leave approved after 30 June 2003 only payable if employer agrees to pay superannuation costs.
Leave without pay – 12 wks. or less	Full contributions at full pay rate
Leave without pay – more than 12 wks.	For leave approved after 30 June 2003, Contributions not permitted unless employer agrees* to meet superannuation costs or otherwise advised in this table
LWOP granted to take up employment with new employer	Full contributions at parent employer rate. Temporary employer salary must satisfy qualifying criteria if higher. Salary reduction rules apply if the temporary employer's salary is lower.*
Leave without pay – during LWOP takes up temporary employment with a CSS/PSS employer	Remains on LWOP with parent employer. May elect to take up new PSS membership with new employer
Leave without pay – employment with Defence (Armed Forces) employment	Contributions not payable. But if member is a recipient of a DFRDB benefit, LWOP in the Interest of the Service may apply. (Refer cases to us)
Leave without pay – employment in the interests of the service	Contributions not permitted unless new employer pays employer contributions*

* Contributions not permitted at 0% for periods that exceed 12 weeks with the exception of compensation leave.

Varying the rate of contributions

Birthday review

Generally, contributions will be adjusted once a year, on the payday following the member's birthday.

Contributions may be adjusted at other times during the year following an election by the member to increase or decrease contributions, or when a member changes from casual to regular or vice versa.

Contributions are based on the higher of the **superannuation salary** being received on the anniversary or the highest **superannuation salary** received in the twelve months prior to the birthday.

Options and elections to vary contribution rate

There are three ways in which a member may vary the rate of contributions, they are:

- increase contributions % rate
- decrease contributions % rate
- elect to contribute at 0%.

Where members would like to vary their rate of contributions:

- They should sign a **Form SE2 (“Election to Vary Superannuation Contribution Rate”)** or email their personnel area. The email should be actioned immediately by personnel as there is no provision to backdate contribution rate change elections. There are no provisions in the legislation to backdate elections to change % rates. For administrative purposes your agency may still wish to obtain a signed election form.
- The signed election form or email is to be attached to the member's personnel file for future reference.
- The new rate of contributions is effective from the contributions day occurring immediately after the member's request to vary his/her contribution rate. If an election is made on a payday, contributions should be adjusted to the nominated rate for that payday, not the following payday.

In cases where contributions were not commenced when due, as a **result of employer error**, the member may lodge an election to vary the rate from the date eligible to minimise the amount of short paid contributions. Such elections may also be for a higher rate than the standard 5%. In such cases, the minimum contribution rate is 2% as a 0% contribution rate is not permitted retrospectively. This does not prevent the member from making future 0% election rate changes.

Note: members may elect to vary their rate of contributions at any time, there is no restriction to the number of times members can elect to vary contributions or on the interval between elections.

Contributions in arrears

Occasionally, contributions paid by the member may be less than that which should have been paid.

Members are required to pay their nominated contributions while employed. If contributions are short paid, the Commissioner has the power to take recovery action through the courts under Section 39 of the *Superannuation Act 1990*.

You should ensure that any cases of short paid contributions are quickly rectified. We will advise you when we believe a problem exists, but this will only be accurate if you have correctly advised birthday adjustments and other changes to salaries and hours worked.

Although your office will not be contacted in all arrears situations, your agency will be contacted where:

- There is an ongoing short payment e.g. each fortnight's deduction is less than the amount due.

We will generally advise the member, as well as personnel, of the arrears situation. It is important that members are aware that arrears exist and that the arrears may have repercussions on any future benefit.

You should always check carefully notification of arrears from us, to ensure that contributions are in fact correct, as it may be that you have simply forgotten to provide information such as the member's change in employment status, e.g. from full-time to part-time, or an increase in percentage rate.

The arrears should be deducted (in addition to normal contributions) from the member's payover no more than 13 paydays. If this arrangement will cause hardship to the member, an application for payment over an extended period should be forwarded to us for consideration. The application should give reasons for the request and should nominate a reasonable fortnightly recovery rate. A covering memorandum and recommendations should accompany the application from the personnel officer.

Recovery of the arrears at the rate nominated by the member should commence immediately pending resolution of the application.

In cases where contributions are not commenced when first payable, due to an employer fault, which results in short paid contributions, the member has the right to lodge an election to vary the contributions rate from commencement to reduce the arrears payable. It must, however, be explained to them, preferably in writing, that such an election could adversely affect future benefits.

Ceasing contributions

Cessation of employment

Contributions cease from the payday following the date that the person ceases scheme membership. Where a person ceases on a payday, contributions should cease on the following payday.

If a member ceases the day before a payday and therefore you are not ceasing the salary until the following fortnight, you may recover the overpaid superannuation deduction the following payday but this action MUST be advised on the Departmental Report of the benefit application. If a member is entitled to take a refund of their contributions plus interest, we can pay the overpaid contribution with the benefit.

As contributions are not always ceased on the correct payday, it is imperative that you provide the correct information in regard to the payment of contributions on the Departmental Report of the benefit application. No minus adjustments can be made after you forward the benefit application to us without contacting us prior to taking such action.

From 1 July 2008 members of PSS may cease membership of PSS and preserve their benefits. Members whose agencies participate in the PSS accumulation plan (PSSap) must first fill in the **PSS Election to Cease PSS Membership** form and commence membership in PSSap before exercising choice of Fund. This form is also to be filled in by the employer and sent to us as soon as possible. When a member elects to leave PSS they opt out of all PSS memberships they may have. PSS membership will only cease when the member has joined PSSap. The member will be commenced in PSSap with a commencement salary from the date they have joined PSSap. PSS members will be able to claim their benefits at age retirement or when they have left their employment.

For agencies that are excluded from PSSap, the PSS member can cease membership and commence contributions to either the default fund or a complying superannuation scheme. The member and employer are required to fill in the election to cease PSS membership form and send it to us as soon as possible. PSS membership will only cease when the member has joined an alternative superannuation scheme.

Once a PSS member has opted out of PSS they are not able to re-join PSS at any time. There is more information available on PSS members opting out of Fund under our quickguides.

Transferring between employers of PSS

If a member transfers between employers participating in PSS, only one contribution is due for the payday coincident with ceasing with the previous employer and commencing with the new employer.

It is generally the responsibility of the new employer to deduct the contribution, however, due to the restrictions of pay cut-offs, the previous agency may pay the contribution. Agencies may need to liaise with each other to ensure that only one contribution is paid.

If two contributions are paid the new agency should process a minus current adjustment the following pay to reimburse the member.

If no contributions are paid the new employer must process a plus current adjustment to pay the contribution arrears.

From 1 July 2022 - Members under age 75

- A PSS member below age 75 continues to accrue employer benefits, even if they don't meet the Work Test.
- The member must contribute 0% or between 2 and 10%. Productivity and employer contributions should continue to be paid.

From 1 July 2011 - Members aged between 70 and 75

- A PSS member who turns 70 continues to accrue employer benefits up to age 75 provided they meet the work test. This means they must have worked at least 40 hours over 30 consecutive days in a financial year of gainful employment which includes any other employment that may be outside of the APS.
- The member must contribute 0% or between 2 and 10% just like any other member. Productivity and employer contributions should continue to be paid.
- If a member has turned 70 before 1 July 2011 their contribution rate will continue at the same rate unless a different rate is elected. For example, if a member elected to contribute 5% voluntary contributions they would automatically remain on a 5% contribution rate from 1 July 2011.
- If the member was not paying additional contributions pre 1 July 2011, the default rate is 0% unless a different rate is elected by the member.

From 30 April 2003 to 30 June 2011 - Members aged between 70 and 75

- PSS members could elect to contribute to PSS if they met the work test criterion of having worked at least 40 hours over 30 consecutive days in a financial year.
- The voluntary additional contributions over age 70 could not accrue any employer benefit and would be payable as a lump sum on exit together with any earnings.
- Employer productivity contributions were not permitted however the Employer Superannuation Contributions (PAYG) continued to be paid as employer contributions are payable for the entire period of membership.

Members aged 75 and over

From 1 July 2013, PSS members who are aged 75 years or over will remain unable to pay member contributions and will be treated as 0% contributors.

They will, however, accrue employer benefits and as a result, Employer Productivity Superannuation Contributions (EPSC) must be paid.

Members who reach age 75 after 1 July 2013, must have their contribution rate changed to 0% with the effective date being their birthday date. This will need to be done via your data submission to us. You do not need to change the effective date for members already reported as being 0%.

Maximum Benefit Limit (MBL) reached

PSS scheme benefits are subject to a maximum benefit limit. Once a member achieves the maximum benefit multiple, contributions must cease even if subsequent salary increases change the maximum benefit multiple applicable.

The accrued multiple for each member is checked against the member's maximum benefit multiple, and prior to a member reaching the MBL, an advice will be sent to the employer, providing details of the payday contributions are due to cease. No further employer productivity contributions can be made to any scheme on their behalf. However, the Employer Superannuation Contribution (ESC) must continue to be paid.

You MUST however continue to advise us of the member's updated salary for super at each anniversary, as their Final Average Salary will change for benefit purposes. You treat the member as if they were on leave without pay not to count as service.

We will advise the employer and member when the member has reached their MBL.

From 1 January 2008 MBL rates increased. Members who have previously reached their MBL were able to elect to recommence contributions, however, they were unable to pay retrospectively from the date they reached their previous MBL to their new MBL rate on 1 January 2008. Employers had to recommence employer productivity contributions on the first payday after 1 January 2008. For further instruction please refer to the Employer Quick Guide Maximum Benefit Limit 2008.

Leave Without Pay

Where a member is proceeding on LWOP for which contributions are not payable, no contribution is to be deducted for any payday on which the member is on LWOP.

Therefore, if the first day of LWOP is a payday, no contribution is to be deducted for that day, even though the member will have received full salary. If the day of return is a payday, a contribution is due for that day even though the member has received no salary in that fortnight.

Advice of contribution details to us

Agencies have varying payroll providers and facilities to allow the forwarding of member and contribution information to us. It is critical that agencies ensure that any system is able to satisfactorily interface with our system.

Tax File Numbers from 1 July 2007

With the introduction of the government's plan to simplify and streamline superannuation, from 1 July 2007, if a member of PSSap, PSS or CSS does not provide their Tax File Number (TFN) to their superannuation fund, then that fund cannot accept any member contributions until such time as the TFN is provided. Also, any employer contributions paid will be subject to taxation at the government's top marginal tax rate.

Please note that the legislation does not make it mandatory for a member to provide their TFN but there are significant implications if a valid TFN is not provided.

Further information on the changes and the Tax Laws Amendment (Simplified Superannuation) Act 2007 can be obtained from the Department of Treasury website treasury.gov.au

Date of effect

- It is also **critical that the correct date of effect is used** or the member's record will not be updated or updated correctly.
- We receive numerous re-reports of anniversary salaries with the current payday as the date of effect. If you report a member's anniversary salary with a date of effect other than the actual birthday date it will not update the member's record.
- If a member elects to change their percentage rate you must advise the actual election date as the date of effect. If you report the payday you are adjusting contributions the member will not be 'due' to pay the new percentage rate until the following payday. Consequently their multiple will be incorrect.

The correct use of dates of effect are as follows.

Effective date for adjustment of contributions

Event	Date
<p>Becomes a member of the scheme</p> <p><i>Effective date is the date membership commences</i></p>	<p>Contributions commence from the payday on or after becoming a member. Therefore, if membership commences on a payday, contributions are due for that payday. If contributions are not commenced until the following payday arrears MUST be deducted.</p>
<p>Anniversary adjustment</p> <p><i>Effective date is the actual birthday date</i></p>	<p>Increased contributions are payable from the payday following the birthday anniversary date.</p> <p>To be included as part of salary for superannuation purposes, a salary increase only needs be effective from, or before, the birthday. The date of approval is not relevant.</p> <p>If the birthday anniversary falls on a payday increased contributions are payable from the next following payday.</p>
<p>Election to vary contribution rate</p> <p><i>Effective date is the actual election date</i></p>	<p>Contributions should be adjusted to the nominated rate with effect from the payday following the date of election.</p> <p>If the election is made on a payday, contributions should be adjusted from the following to incorporate the previous payday.</p>
<p>Leave Without Pay – contributions not required</p> <p><i>Effective date is the first day of LWOP</i></p> <p><i>Effective date is the first day of work after returning from LWOP</i></p>	<p>Contributions are not payable on any payday that occurs during a period of LWOP during which contributions are not permitted or required.</p> <p>If LWOP commences on a payday contributions should be ceased from and including that payday, otherwise from the next following payday.</p> <p>Contributions should be recommenced from the date of return from LWOP if that date is a payday, otherwise from the next following payday.</p>

Event	Date
<p>Election to pay contributions during a period of study leave without pay.</p> <p>Leave Without Pay – contributions are required</p> <p><i>Effective date is the first day of LWOP then on ceasing LWOP</i> <i>Effective date is the first day of work after returning from LWOP</i></p>	<p>Any election should be made prior to commencing leave and would be for the whole of the leave period however, contributions may only be paid for two years. This rule is no longer in effect from 2003. This leave is now considered as leave without pay where the employer agrees to pay.</p>
<p>Election to pay contributions during maternity or parental leave</p> <p><i>Effective date is the first day of LWOP if the election is made prior to commencing leave or the first nominated payday to contribute</i></p>	<p>The election must specify the payday or paydays to which the election applies, not being any payday earlier than the date of election.</p> <p>Contributions are required in respect of each payday nominated. 0% contributions are not permitted for unpaid maternity or parental leave.</p>
<p>Cessation of contributions on reaching Maximum Benefit Limit</p> <p><i>Effective date is the payday no contributions are payable</i></p>	<p>Contributions should be ceased in accordance with our formal written advice that will be sent when a member is about to attain the maximum benefit limit.</p> <p>Note: birthday anniversary salary details should continue to be reported to update salary for superannuation purposes.</p>
<p>Change of employment status –</p> <p>Regular permanent full time employee to Regular permanent part time employee</p>	<p>A regular member's salary for contribution purposes can only vary on the birthday.</p> <p>Contributions must therefore continue to be based on the full-time salary until the next birthday, and then adjusted based on the employment status, hours and salary applying on the birthday.</p>
<p>Change of employment status –</p> <p>Regular permanent part time employee to Regular permanent full time employee</p>	<p>A regular member's salary for contribution purposes can only vary on the birthday.</p> <p>Contributions must therefore continue to be based on the part-time salary until the next birthday, and then adjusted based on the employment status, hours and salary applying on the birthday.</p>
<p>Change of employment status –</p> <p>Casual member to Regular member</p> <p><i>Effective date is the date the member changes status</i></p>	<p>Contributions are adjusted on the payday on/or after commencing as a regular member. Contributions are based on the new regular salary, however if the casual notional salary was higher than the new regular salary, the amount of the previous notional salary is used for contributory purposes.</p>

Event	Date
<p>Change of employment status – Regular member to Casual member.</p> <p><i>Effective date is the date the member changes status</i></p>	<p>Contributions should be adjusted based on the nominated percentage rate applied to gross actual salary (excluding overtime and reimbursement payments) paid on the first payday coincident with or next following change to casual status.</p>
<p>Salary reduction</p>	<p>PSS does not provide a right of election that reduced salary apply. Contributions must therefore be based on the salary reduction rules. Please refer to the training notes for salary reductions.</p>
<p>Last day of membership</p> <p><i>Effective date is the last day of membership</i></p>	<p>Contributions should be ceased with effect from the payday following the date the person ceases membership of the scheme i.e. the date of retirement, resignation, death, or dismissal.</p> <p>If the last day of membership is a payday, a contribution is required on that payday.</p>

A Regular Member is a full-time or part-time permanent employee, a full-time temporary employee who is employed to work full-time for at least three months, or a part-time temporary who is employed for at least three months and has access to sick and recreation leave.

A Casual Member is a person who is not a regular member e.g. a temporary full-time employee who is employed to work for less than three months, a temporary part-time employee who is employed for less than three months or does not have access to sick and recreation leave, a member who is paid fees on a daily basis, or a part-time Statutory Office Holder.

For more information

Please visit our website at csc.gov.au/Employers or contact our Employer Services team (see below).



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