Super Guarantee Charge: why 30 June is so important

As 30 June approaches, it's a good time to check whether your employees' super has been paid correctly for the whole year. This is especially important because missed or late super can trigger the Super Guarantee Charge (SGC), which is more costly and generally not tax deductible, but there are steps you can take before year-end to reduce the impact.

What is the Super Guarantee Charge?

With 30 June approaching, it's a good time to check whether all your employees' super guarantee (SG) contributions have been paid in full and on time for the year. If super is paid late or underpaid, you may be hit with the Super Guarantee Charge (SGC), which is more expensive and generally not tax deductible. Fixing issues before year-end can reduce the cost and help you stay compliant.

When super is "late" and SGC applies

Employers must pay SG to their employees' super funds by the due date for each quarter (and from 1 July 2026, by the new payday super deadlines). If the fund does not receive the required SG by the due date, or you pay it to the wrong fund or at the wrong rate, that shortfall becomes an SGC issue. You are then required to lodge an SGC statement with the ATO and pay the SGC, even if you later make the super payment.

The SGC is made up of three parts: the unpaid super (calculated on ordinary time earnings), interest, and an administration fee per employee, per quarter. Unlike on-time super contributions, the SGC is generally not tax deductible, so it can significantly increase your costs.

Why acting before 30 June can help

If you identify late or missed super before 30 June and make the catch-up payment to your employees' funds, you may be able to use that payment to reduce (offset) part of your SGC for the affected quarters. In many cases, that catch-up amount can still be treated as a deductible employer super contribution for the year, improving your tax position compared with simply paying the SGC. You will still need to lodge an SGC statement, but dealing with problems now can limit penalties and interest.

What you should do now

In the lead-up to 30 June, it's wise to:

- Review your payroll and super records for the full year to spot any missed or late SG.
- Check the date the super fund received each contribution, not just the date you processed it.
- Arrange any catch-up payments as soon as possible so they are received before 30 June.
- Prepare to lodge SGC statements where the original due dates were missed.

Count Gold Coast Bookkeeping can work with you to reconcile your super, identify any late or missed payments, calculate what needs to be reported to the ATO, and help you take corrective action before 30 June so you minimise SGC exposure and protect your tax deductions. **Connect with us on 1300 667 897 or bookkeeping@countgc.au**.