



## **Q&A | Employer Obligations | Tips & Traps Webinar**

**By Gordon Richards, Director**

**Q: Is an employer required to pay super if an employee works under 30 hours per week?**

A: As long as the employee is over 18 years old, there is no minimum requirement for an employer's superannuation obligations i.e., you will need to pay super on every dollar. If the employee is under 18, you only need to pay super if they work more than 30 hours per week.

**Q: If you paid super but it's late, do you still have to pay all the super to the ATO, or only the interest and the fees?**

A: The Superannuation Guarantee Charge form has an option for you to list the "Late Payment Offset". This is effectively the amount that has already been paid. If you haven't paid any super at all, you will need to pay the full amount of super owing, plus the interest in penalties. If you fill out the late payment box it will reduce it by that amount, so in effect you are only paying the interest in penalties, and you won't have to pay superannuation again.

**Q: My son has a full-time job, and occasionally he works casually on weekends and public holidays on my farm, what are my super obligations?**

A: Per question 1 above, if he is over 18 then yes. If he is under 18, then only if he works more than 30 hours a week. If he is being remunerated in a form other than wage /salary (e.g., profit allocation), then you do not have to worry about super.



**Q: Does the payout of a Rostered Day Off constitute Ordinary Time Earnings?**

A: I envisage these would be similar to leave payouts - If these are paid out whilst the employee is still employed, then they would be considered OTE. If paid out on termination, then they wouldn't be considered OTE.

**Q: Are client lunches with a cost under \$299 per person considered entertainment? And do employee lunches fall into the same category?**

A: Yes, client lunches are considered entertainment. There is no FBT with client lunches, however you are unable to claim them as a tax deduction or claim the GST.

Employee lunches do fall under the same category, however there is FBT on them (subject to the minor benefit threshold of \$300 per head).

**Q: Is a coffee catch up with a client considered the same as above?**

A: Yes. Note that there is a difference between taking a client out for an expensive lunch vs a coffee to have a business discussion. The former will likely be the same treatment as above, whereas a coffee would probably be ok. We also need to consider the frequency of the coffee catchups.

**Q: Are gift cards or presents to employees under \$300 tax deductible? (for example, for an employee having a baby)**

A: Yes - As long as they are designed to be used off site.

**Q: Is providing staff with workwear subject to FBT?**

A: No - this is where the "otherwise deductible" rule applies. If the employee would otherwise have received a deduction for purchasing that workwear, FBT would not apply.

**To view the recording visit [here](#).**

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