

SUPERANNUATION (9%) – EMPLOYEE OR SUB-CONTRACTOR?

DO YOU SUB-CONTRACT ANY PART OF YOUR WORK
(including book-keeping, clerical and administrative)?

NO

YES

Do you subcontract to a company or partnership, either orally or in writing?

NO, I SUB-CONTRACT TO AN INDIVIDUAL

Is more than 50% of that contract for labour?

NO

YES

You are not liable for the SGC for anyone other than your employees.

You are liable for SGC on the labour portion only UNLESS you can show that you had no control over the performance or direction of the work, or the sub-contractor's workforce, OR you can show that you were not responsible for the successful execution of the work. **NOTE: It doesn't matter if the sub-contractor has an ABN or not.**

NOTE: The chart above is only a very general guide to how a sub-contractor may be distinguished from an employee under the Superannuation Guarantee (Administration) Act 1992. It has been prepared from the Australian Taxation Office's web site (www.ato.gov.au) and does not purport to give specific advice.

IF IN DOUBT ASK YOUR ACCOUNTANT OR SOLICITOR