

Timeline & Checklist

Payday Super starts on 1 July 2026. ato.com.au/payday-super

You will need to make a super contribution for eligible employees for each payday.

Use this checklist to ensure a seamless transition for your business.

Now – March 2026

- Understand the Impact:** Review how Payday Super will affect your business operations and cash flow.
- Plan the Transition:** Determine your specific start date and seek professional advice to ensure compliance if you need it.
- Monitor Cash Flow:** Develop a plan to ensure funds are available for super payments on every pay cycle.
- Review Employee Data and processes:** Ensure all employee fund details (USI, account numbers, etc.) are up to date to prevent payment errors.

April – June 2026

- Software Compatibility:** Confirm that your digital service (e.g., Xero) or payroll provider is ready for Payday Super including the new Qualifying Earnings (QE) reporting.
- Transition from SBSCH:** If you still use the ATO Small Business Superannuation Clearing House (SBSCH), transition to an alternative provider. Save your historical data from SBSCH for future audits or employee inquiries.
- Refine Payroll Processes:** Adjust your internal workflow to ensure super is received by funds within 7 business days of payday.
- Understand the new concept ‘Qualifying Earnings’ (QE):** Review how the shift from OTE to Qualifying Earnings (QE) affects your specific pay items.
- Pay Super for the January-March Quarter by 28 April 2026.** This is the final quarter for which the Late Payment Offset is available.

July 2026

Payday Super Starts.

- When paying super, you must:**
 - Ensure all super contributions are received and can be allocated by the employees' super funds within 7 business days after payday.
 - Accurate Calculation: Use the new QE basis for super calculations.
 - STP Reporting: Report both QE and super liability to the ATO via your STP-enabled software.
- Make the final quarterly payment for the April-June by 28 July 2026**
 - Remember that SBSCH will no longer be available after 1 July 2026.
 - There is no late payment offset available for this quarter.

⚠ ATO recommend you pay super on payday as you need to allow time for payment processing and any corrections to be made.

Key Changes

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1. At a Glance: Key Changes (Before & After)

Payday Super is a change to how you calculate and when you pay your employee's super guarantee.

Topic	Now (Until 30 June 2026)	Changes from 1 July 2026
Payment Timing	Quarterly (At least once a quarter)	Each Payday
Due date	Within 28 days of the quarter's end	Within 7 business days of payday
Calculation Basis	OTE (Ordinary Time Earnings)	QE (Qualifying Earnings)
Single Touch Payroll (STP)	Choice of reporting OTE or Super liability	Mandatory reporting of both QE and Super liability
Super Guarantee Charge (SGC) assessment	Employer self-assessment and lodgement	Automatic ATO assessment
Tax deductibility	SGC is non-deductible	SGC is tax-deductible
ATO SBSCH	Support for small business payments	No longer available

2. Understanding Qualifying Earnings (QE) ato.gov.au/QE

QE expands the base for super calculations to include:

- Standard OTE items (Ordinary hours, bonuses, allowances).
- All commissions (including those earned outside ordinary hours).
- Amounts sacrificed into superannuation (Salary Sacrifice).

⚠ Overtime payments remain excluded from QE, consistent with current OTE rules.

3. Changes to Super Guarantee Charge (SGC)

- ATO will issue assessments automatically if payments are not received by a super fund within 7 business days of payday.
- Super liability is calculated based on QE.
- Interest on late payments will be based on the General Interest Charge (GIC) with daily compounding (replacing the 10% per annum).
- The fixed \$20 fee is replaced by an 'Administrative Uplift' that varies depending on your compliance history. This may be reduced if you make a voluntary disclosure.
- SGC is tax deductible.

4. Improved data and payment processing

- Enhanced Member Verification Request (MVR) tools allow employers to validate fund details before sending payments.
- Early notifications for major fund changes, such as fund mergers, will be provided through the improved fund validation services.
- Employers can request the stapled super fund details and provide them to their employee at the same time as they provide a choice form from 1 July 2026.