

Payday
Superannuation
will be active on
1st July 2026.

What can you do
to prepare?



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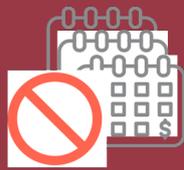
Taxation + Business Advisors

Payday Superannuation

What's changing?

From 1 July 2026, all Australian employers must pay Superannuation Guarantee contributions (SG) at the same time as they pay employees' "qualifying earnings" (QE).

- ordinary time earnings; salary sacrifice superannuation contributions; and such other
- defined amounts which are currently included in an employee's salary or wages for SG.



Quarterly super payments will no longer be permitted for QE paid on or after 1 July 2026.

Why is the government making this change?



To tackle the estimated billions in unpaid or late superannuation.



To improve employees' retirement balances by ensuring money reaches their fund sooner and compounds for longer.



To give the Australian Taxation Office (ATO) near-real-time visibility of SG compliance via Single Touch Payroll (STP) reporting.



Who is covered?

All employers that are currently required to pay the SG will be covered, whatever their size or industry.

Payday Superannuation

Employers' new core obligations from 1 July 2026

Align SG and QE



Each time employers pay QE to an employee (the "payday"), they must ensure the corresponding SG contribution (currently 12%) is made.

7 Business Day Payment Deadline



Super contributions must be received in each employee's fund no later than seven (7) business days after each payday.

Limited Deferrals



With respect to new employees who are onboarded on or after 1 July 2026, employers will have 20 business days after their first payday to ensure their SG contribution is paid.

Out of cycle payments (e.g. bonuses) do not start the 7 business day clock until the next regular payday.

Enhanced STP Reporting



From 1 July 2026, employers must report, through Single Touch Payroll, both:

- the amount of QE paid; and
- the corresponding SG liability for each employee, each pay event.



The updated SG charge – pay on time or pay more

If any contribution is not in the employee's fund within 7 business days of payday, employers may incur an SG Charge (**SGC**) – even before the ATO issues an assessment.

Key elements:



SG Shortfall: calculated on QE (not ordinary earnings).



Post-assessment Penalty: 50% of any unpaid SGC outstanding 28 days after the ATO's notice of assessment.



Administrative Uplift: up to 60% of the SG shortfall, reduced by any late payments of SG to the employees' fund and where you have voluntarily disclosed the late payment to the ATO.



Daily Interest: general interest charges (**GIC**), which are subject to change, compound daily from the day after the due date. The current GIC rate is 10.61% annually.

PLEASE NOTE: SUPERANNUATION THAT IS PAID LATE AND ANY PENALTIES OR INTEREST APPLIED AS A RESULT, ARE NOT TAX DEDUCTIBLE

Payday Superannuation

Recognising and Rectifying Late Contributions

Late payments must still be remitted to the employee's fund as soon as possible. Late contributions will automatically be allocated by the ATO to the earliest outstanding payday period. Prompt voluntary disclosure will reduce the administrative uplift and can minimise penalties.

Support for Small Business Transition

Small Business Superannuation Clearing House (**SBSCH**) will close on 1 July 2026. Plan now to adopt payroll software or a compliant commercial clearing house that supports the payment of SG on payday.

Super funds will have only three (3) business days to allocate or return contributions.

SuperStream standards will be updated to allow faster New Payments Platform (NPP) transfers and clearer error messaging.



Practical Compliance Tips

Do

- ✓ Review payroll software and banking cut-off times now – does it support same-day super payments?
- ✓ Map your cash-flow to ensure funds are available every pay run.
- ✓ Update employment contracts and payroll calendars to reflect new SG timing.
- ✓ Educate payroll, HR and finance staff on payday SG rule and STP reporting changes.
- ✓ Use appropriate onboarding documents to capture employees' superfund details promptly.
- ✓ Consider Voluntarily disclosing any late or short payments to the ATO immediately to reduce penalties.

Don't

- ✗ Assume a quarterly payment is acceptable after 1 July 2026.
- ✗ Delay the payment of SG beyond 20 business days for new employees who commence employment on or after 1 July 2026.
- ✗ Ignore SuperStream error messages – unallocated payments will still attract SGC.
- ✗ Rely on the soon-to-be-retired SBSCH without arranging an alternative.
- ✗ Forget that interest and penalties are calculated daily – delays are costly.

Payday Superannuation

Consequences of Non-compliance



Mandatory SGC
(shortfall + daily interest
+ up to 60% uplift).



Additional 50% penalty if
SGC is not paid within 28
days of ATO assessment.



Public naming of significant
non-compliers by the ATO.

Resources and Support



Australian Taxation Office

- Payday Super hub (guidance, webinars, checklists):
ato.gov.au/paydaysuper Employer super enquiries:
- 13 10 20



Business.gov.au

- Digital service provider directory for STP-enabled payroll and super payment solutions.



JAS Accountants and Business Advisors

- Seek tailored advice on award obligations, cash-flow impacts and system upgrades.

Need help?

Call us on 03 8361 8357
or email us: admin@jascpa.com.au
One of our bookkeepers will be happy to answer any
questions you may have





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