

Payday Super is coming

What it means for your business

You may have heard that the Government is introducing significant changes to how superannuation guarantee (SG) contributions are paid.

From 1 July 2026, employers will be required to pay SG for their employees at the same time as salary and wages, rather than quarterly.

While this may seem like a change to payment timing, it is a fundamental shift in how SG obligations are calculated, reported and enforced.

What is changing

From 1 July 2026:

- You will be required to pay SG each payday instead of quarterly.
- SG contributions must be received by your employee's superannuation fund within 7 business days of payday. Some limited exceptions may apply.
- A new definition called 'qualifying earnings' will be used to calculate SG obligations.
- You will need to report both qualifying earnings and SG through Single Touch Payroll (STP).

This represents one of the most significant changes to the superannuation system in decades.

Why this matters for your business

Under the current system, employers have some flexibility around timing, including the use of clearing houses.

Under Payday Super, the rules are much stricter. Importantly, your SG obligation will only be met if the contribution is:

- paid correctly, and
- received by the employee's superannuation fund within the required timeframe

This means the timing of payments, accuracy of data and processing capability of your systems will directly impact your compliance position.

What does this mean in practice

Under the new rules:

- Paying SG is no longer a quarterly task, it becomes part of your payroll process
- You may have multiple compliance points each month, depending on your pay cycle
- Errors or delays (for example incorrect fund details or rejected payments) must be identified and fixed quickly
- There is no extension of time if a contribution is rejected

If contributions are not received on time, you may be liable for the superannuation guarantee charge (SGC), which includes interest and additional administrative penalties.

Additional changes to be aware of

- The ATO's Small Business Superannuation Clearing House (SBSCH) will close from 1 July 2026
 - SuperStream changes will introduce faster payments and improved error messaging
 - New tools, such as member verification requests, will help reduce errors before contributions are made
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What you should do now

To prepare for Payday Super, you should:

- Review your payroll processes - Ensure your payroll is aligned with making superannuation payments each pay day.
 - Understand your cash flow requirements - More frequent payments may impact your cash flow, particularly in July 2026.
 - Check your systems and software - Confirm your payroll or accounting software will support qualifying earnings reporting and updated SuperStream requirements.
 - Check employee superannuation fund details - Incorrect or outdated information may result in rejected contributions.
 - Understand payment timing - You need to allow enough time for contributions to be processed and received by the fund within 7 business days unless an exception applies.
 - Know how to identify and fix errors - You will need to act quickly if a contribution is rejected to avoid penalties.
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Key timing to be aware of

- 1 July 2026 – Payday Super commences
- 28 July 2026 – Final quarterly SG payment due under the current system

You may need to manage both quarterly and payday based contributions in July 2026, which may place additional pressure on cash flow and systems.

The key takeaway

Payday Super is not simply about paying superannuation more frequently. It introduces a stricter, real-time compliance system where timing, accuracy and processes are critical.

Taking steps now will help ensure your business is prepared and reduce the risk of penalties.

How can we help?

We can assist you in preparing for these changes, including reviewing your payroll processes, systems and cash flow implications.

If you would like to discuss how Payday Super will impact your business, please contact our office to arrange a time to talk.