



The key to staying compliant ahead of Payday Super: Simpler super payments.

Payday Super is on the way. Employers are likely to need simpler, faster super payment processes to stay compliant, avoid extra admin and potential penalties.

Super payment brilliance™

beam.

Payday Super is just around the corner. Recently published draft legislation outlined the potential changes to come for millions of Australian employers.

If the legislation passes as proposed, from 1 July 2026, employers will need to make superannuation guarantee (SG) payments at the same time as salaries and wages.

For most people involved in payroll, this will mean paying super more often. To avoid the proposed new SG charge (SGC) for late payments, super payments will need to be faster than ever – and accurate.

Employers will need to calculate an employee's SG amount based on qualifying earnings (QE), and then complete SG contributions within seven days of payday.

"It's a really interesting mindset shift for employers," says Mathew Gilroy, Beam founder. "The change doesn't mean sending super within seven days, it means it must be accepted as a valid contribution within seven days."

If this sounds complicated, it doesn't need to be.

Meeting the new Payday Super obligations is easy if you adopt a market-leading super payments solution: one that's fast, automated and securely connected into your payroll system.

Beam is the perfect fit. It's a complete supertech, designed to take the challenges of Payday Super in its stride.

"We could process super daily tomorrow," Gilroy says. "We've got the tech to do this."

Payday Super: what's new?

How Payday Super is changing the way super needs to be paid:



The ATO's Small Business Superannuation Clearing House (SBSCH) will be retired, meaning employers that currently use it will have to find an alternative way to pay super, such as a payroll software solution.



Employers will be liable for the Super Guarantee charge (SGC) unless SG contributions are accepted by their employees' super funds within seven days of payday.



Payday is the date that an employer makes a qualifying earnings (QE) payment to an employee. QE comprises salary, wages, salary sacrifice super contributions and any other payments that qualify for the SG.



If employers fail to pay contributions in full and on time, they will be liable for the updated SGC. The calculation of the SGC will include a choice loading when choice of fund obligations haven't been met, a notional earnings interest component to reduce the impact of delayed payments on an employees' super balance, and a scalable administrative uplift amount, which could be reduced by making a voluntary disclosure of a late payment before an ATO assessment is issued.



The deadline for super funds to allocate or return contributions will be reduced to three business days, down from 20 – meaning the data that employers send will need to be high quality.

Updated SG charge: how streamlined super payments safeguard the rights of employees

In an effort to increase compliance with Payday Super – and reduce the amount of unpaid super – the Australian Taxation Office (ATO) is updating its SG charge framework. Employers that aren't compliant will have to make up the SG shortfall as well as pay interest and potentially extra administrative fees.

The ATO has confirmed it will apply more scrutiny to SG compliance, and the new SGC may include a choice loading when choice of fund obligations haven't been met, a notional earnings interest component to ensure employees' super balances aren't affected by delayed payments, and a scalable administrative uplift amount, which could be reduced if an employer makes a voluntary disclosure of a late payment prior to an ATO assessment being issued.

The ATO's increased scrutiny on payments might be considered a risk for many employers, who will face shorter payment deadlines combined with penalties for late payment.

But there is a silver lining. By adopting a best-practice integrated super payments solution that enables faster processes, employers will also get a more robust system for increasing data acceptance and rejecting bad data, helping to reduce the risk of fines.

Simplifying and automating your super payments processes can help you avoid penalties, reduce admin demands and offer broader super payment efficiencies beyond Payday Super.

It's never been more important for employers to adopt a best-practice super payments solution.

Majority rules

Most employers will have to change the way they process super from next year. Australian Retirement Trust (ART), for example, says about **95,000 employers** who have chosen ART as their default fund pay super quarterly.*

*Beam is part of the Australian Retirement Trust group.

Challenges – and solutions

For many employers, Payday Super represents challenges and risk. But some feel they've got it covered.

Mick Menzies, a franchise owner at Bakers Delight in Ararat, Victoria, supports Payday Super.

"I understand why they're doing it," he says. "I'm actually surprised it didn't exist already. It's employees' money. I shouldn't be able to hold onto it and earn interest on it. It should be passed on to them as soon as possible."

However, the last thing he needs is more admin. "Any time a small business is thrown another administrative thing to do, you generally put a barrier up and don't want to participate," he says.

Fortunately, he uses Microkeeper payroll software, which has Beam embedded.

And unlike many business owners, he is confident he can start paying his 15 employees more frequently under Payday Super without a problem.

"I'm good at baking bread. I'm not good at paying super and providing all of the compliance. So I rely on somebody else and I'm happy to pay for it. If technology can provide you with a smooth process, that's what you want."

Bookkeepers and accountants will also be affected by Payday Super.

Soonah Walkom, the head of bookkeeping at We Love Bookkeeping, a Gold Coast-based business that offers financial management services, including payroll, says employers will need to be aware of their obligations.

"It's really important for business owners, especially directors, to educate themselves on what their liabilities are," she says. "The ATO is going to be savage on handing out and delivering fines for unpaid super."

Walkom manages payroll for her clients using the Employment Hero platform, into which Beam is integrated.

Prior to this, Walkom processed super via the ATO Small Business Clearing House (SBSCH). "It would actually take some time, whereas now I've consolidated it," she says. "It doesn't just help with compliance; it's the efficiencies and accuracies that we get from all of our payrolls being done from one program."

"We used to pay super quarterly, and it would take me anywhere from three to four days for the client base that we had. Now we encourage most of our clients to do monthly super, and it takes me anywhere from three to six hours. It's not a burden anymore."



What best practice looks like in a Payday Super world

A best-practice solution is a super payment tech that's embedded into a payroll system, calculates super payments based on qualifying earnings and sends payments straight to an employee's super fund.

It also validates data upfront, giving super funds the highest quality data so they can easily allocate contributions to members, or return them to employers so data issues can be quickly fixed and the payments sent off again – all in the timeframes demanded by Payday Super.

Here's how Beam makes that happen



Connected seamlessly into payroll software, Beam makes super payments automated, quick and easy – just what you need to make payments more often under Payday Super.



Because it's connected into payroll, Beam reduces the risk of errors that come from importing and exporting data between platforms. It also validates data before sending – crucial when data must be accurate to avoid rejection and meet tight Payday Super timelines.



Beam flags errors before payments are made. And if there's an error, the platform can hold that single error back automatically while the rest of the batch is still processed – an important efficiency in the Payday Super environment.



Through Beam's super payment tech solution, payments and data are transferred to funds quickly. – essential when you need processes to be quick under Payday Super rules.



A connected super payment tech solution saves time, enabling your staff to focus on other areas of your business. Without Beam, Payday Super can add to your admin burden. But with Beam, super payments are quick and easy – even if you do have to make them more often.



Seamless processing of super alongside payroll, and a reduced risk of errors, late payments and **penalties**, can help with cashflow management – something that may be a concern for employers switching to more frequent payments under Payday Super.



Beam is ready for Payday Super now. There's no limit to how many employees, super funds or payments Beam can handle. It could manage daily payments tomorrow – ensuring employers stay compliant and avoid penalties.



Beam keeps you updated, every step of the way. From missing payments to underpayments and refunds, Beam keeps employers informed at every stage with **portal notifications and alerts**. These are all essential when you need processes to be quick under Payday Super rules.

Payday Super action plan – be confident you're compliant

With the proposed start of Payday Super a little over a year away, employers should be taking action as soon as possible to make sure they're going to be ready to handle an increased number of payments and complete those payments quickly to meet deadlines and stay compliant.

Checking your current super payments processes and considering how they might handle Payday Super is a great first step.

If possible, you should test your current payroll system and processes to see how it would cope with more frequent super payments. And find out what the increased admin burden would be for you and your staff when Payday Super comes into effect.

Businesses looking to improve and simplify their super payment processes can easily update their current processes and systems with a best-practice super payment tech solution such as Beam. Whether your business is small or big, Beam is connected seamlessly to a network of leading payroll software partners to lighten your workload.

Here are 10 questions to ask:

- 1 How frequently are you paying super and how frequently would you need to pay under Payday Super?
- 2 How automated is your current payroll system – what super payment steps are you completing manually?
- 3 How integrated is your current payroll system – do you need to leave your payroll platform to make super payments?
- 4 How quickly do super contributions reach your employees' funds and would this meet the reduced timeframes of Payday Super?
- 5 How many errors do you receive when paying super and what are the primary causes? (For example, poor data, transposition errors, out-of-date fund information.)
- 6 How much effort and time is associated with correcting and resubmitting contributions? How would this fit in with the reduced timeframes of Payday Super?
- 7 What alternative solutions are available to you and how much do they cost?
- 8 How would this cost compare with the cost (including cost of time) of paying super in a Payday Super environment or in penalties if you failed to pay super on time?
- 9 How scalable is your current super payments solution?
- 10 How confident are you that your current super payments solution would be able to adapt to future changes to super regulations, after Payday Super?

Payday Super ready – and future ready

Beam was designed to make super simple and do away with the inefficiencies that come with managing super manually, or in a separate platform to payroll. Its integrated, automated approach makes it ideal for the time and data demands of Payday Super.

In a way, Gilroy says, legislation is catching up with Beam, rather than the other way around.

"The true outcome of Payday Super is that super has to become a native part of payroll software," he says. "Any business that pays a wage is going to need tech."

Legislative changes are unlikely to end with Payday Super. The advantages of using Beam as a best-practice super payment tech solution can only

magnify as the super system evolves to improve the retirement outcomes of all Australian workers, and give impetus to faster, more accurate and automated payment systems.

Built to evolve, Beam is ready for Payday Super and beyond, lightening your workload and giving you the confidence you're super compliant.



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super compliant.**
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