

Payday super Factsheet

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Background

The Federal government has passed legislation that will mean employers, from **1 July 2026**, will need to pay superannuation contributions at the same time as salary and wages.

Known as **Payday super**, this is a significant shift from the current quarterly payment requirements and is designed to strengthen the superannuation system by ensuring contributions are made promptly and transparently.

Two key changes underpin the new rules:

- **Aligns super guarantee (SG) contributions with payday:**

Employers must now pay SG contributions at the same time as their employees' salary and wages with those SG contributions received by the super fund no later than 7 business days after each payday.

- **Updated compliance framework:**

A revised Superannuation Guarantee Charge (SGC) will penalise late or missing payments, encouraging timely compliance with super contribution obligations.

By making super payments more visible and frequent, the reform allows employees to monitor their entitlements and hold employers accountable. Ultimately, this initiative aims to deliver fairer, more consistent retirement savings and support a better retirement for all Australians.

Benefits of Payday super

For employers

- Super contributions will be easier to monitor, reducing the risk of penalties.
- Finalising super payments each payday will reduce the quarterly administrative burden of managing super for employees who have left the business.

For employees

- Payday super will improve the retirement outcomes of employees. Government research shows that this change could leave a worker 1.5% better off at retirement. Payday super will also help the Australian Taxation Office (ATO) detect and recover unpaid super. On the most recent financial year data, there was almost \$5.2 billion in unpaid super that should have gone to workers^{1,2}
- Super contributions are easier to keep track of, allowing employees to better manage their super.

Introducing Qualifying Earnings

Payday super legislation introduces the term 'Qualifying Earnings' (QE) for an employer's SG obligations.

- An employee's Ordinary Time Earnings (OTE).

- Amounts of OTE that have been used as part of a salary sacrifice arrangement for super contributions.
- Other amounts which are currently included in an employee's salary or wages for SG.

What Payday super means for employers

Mandatory contribution timeframes

Employers need to make SG contributions at the same time as they pay salary and wages. If you already pay super with salary and wages, you may not need to make any changes.

Super payments must be successfully received in the super fund bank account no later than 7 business days after payday (Qualifying Earnings day).

Exceptions to payday timeframes include

- New employees – employers have 20 business days after their first payday, before their SG contribution must be received by the super fund.
- Small or irregular payments outside the pay cycle (these can be added to the next regular payday).
- Stapled fund rejects contribution (and you relied on ATO stapling) or employees fund fails APRA performance test

Faster allocation of contributions

Super funds must allocate these funds to the member's super account no later than 3 business days after successful receipt of them in the fund account - or return them to the employer within 3 business days (down from 20 days).

For employers, this does not reset the 7 business days timeframe – they still have 7 business days from payday to make a successful super contribution to a fund.

Revised penalty framework

The current SGC includes a flat interest rate and administrative fee. From 1 July 2026, the new SGC will be revised to include the following:

Outstanding SG shortfall	Notional earnings	Administrative uplift	General interest charge	SG charge late payment penalty
Remaining SG after accounting for late contributions (calculations based on QE).	Daily compounding Interest from day after due date.	Additional charge of up to 60% of the shortfall will be added.	Daily compounding interest after assessment until payment.	Penalty if assessed SG charge is not paid off within a 28-day period.

The goal is to make penalties more severe for frequent and deliberate non-payers, ensuring employees receive their full SG benefits. To find out more about how the government may enforce compliance in the first year, visit the [government website](#).

New onboarding rules

Employers will have 20 business days (starting from the day after wages or salary are paid) to ensure the employee's super fund successfully receives their first super payment.

During the onboarding process, employers will be able to present an employee's existing stapled super fund to them, simplifying the choice of fund process and helping to avoid duplicate accounts.

Revised data and payment methods

On 26 August 2025, the Australian Taxation Office (ATO) [announced changes](#) to SuperStream to align with Payday super:

- The SuperStream data and payment standards will be revised to allow payments made via the New Payments Platform by 1 July 2026. This will be important to meet new contribution timelines.
- Updates to error messaging so it is timely, clearer, and more meaningful. Improved error messaging will give employers better information to help them resolve errors with employee data – and ultimately avoid delays to SG contributions.
- A new SuperStream Member Verification Request (MVR) message for employers to verify whether an employee's super fund details are correct and the super fund can accept a contribution.
- Changes to Fund Validation Services to increase the visibility and traceability of changes or closures to Unique Super Identifiers (USI).

Closure of the ATO Small Business Superannuation Clearing House (SBSCH)

From **1 October 2025**, the SBSCH is closed to new employers.

From **1 July 2026**, the SBSCH will close for all employers.

If you're currently using the SBSCH, now is the time to find a new way to make SG payments. Beam is built to simplify super payments and help businesses get ahead, and help keep compliant with the Payday super changes. Find out how [Beam can help](#).

How you and your organisation can prepare for Payday super

Review your payroll software and super contribution processes to identify any gaps between how you currently work and what you will need to do to comply with Payday super legislation.

Data

Super Tip: Get your data right. It will help you avoid penalties.

- Make sure your data is clean and complete. Look for any missing SuperStream data points that could delay contribution allocations.
- Audit your existing employees' super details. Will you need to update details?
- Check your current process has validations to help detect errors early. Can you easily make changes to your data file?

Processes and technology

- Review your payroll system. Can it handle more frequent super contributions? Will it reduce manual processes?
- Check how your current processes will cope with more frequent contributions. Think about both regular and irregular payment schedules.

Cash flow

- If super contributions are rejected, businesses may need extra cash to reprocess quickly to meet the timeframes (while waiting for original contributions to be refunded). This is different to where they will simply require cashflow to pay super contributions more frequently.

Governance

- Review how you record, report and prove compliance for SG contributions. What needs to change under Payday super rules?

Onboarding employees

- Update any onboarding documents that mention super payment timeframes and update your onboarding process to capture super choice early and check employee data.

Where you can find out more

There are a range of resources from Beam and the government with more information about Payday super.

Read our [FAQs](#)

Download our [employer checklist](#)

Visit the [Beam Payday super Hub](#)

Or visit government websites

[Securing Australians' Superannuation package](#)

[Payday superannuation](#)

Footnotes:

1. Second reading speech, Treasury Laws Amendment (Payday Superannuation) Bill 2025 | Treasury Ministers
2. <https://www.transparency.gov.au/publications/treasury/australian-taxation-office/australian-taxation-office-annual-report-2023-243>.