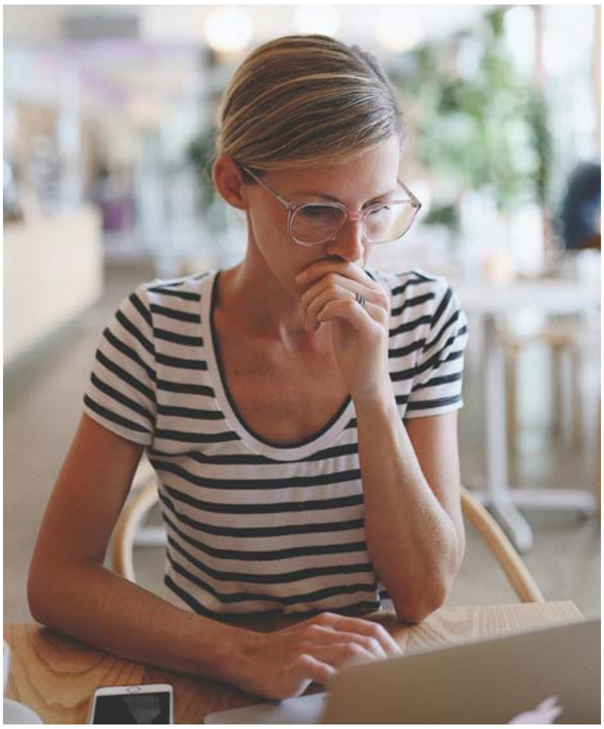

Six changes impacting your super in 2026

Superannuation rules are always evolving, and 2026 is shaping up to be another year of important changes. Some of these updates may only affect a small group of people, while others could impact almost everyone with super.

Whether retirement feels a lifetime away or it's already on the horizon, understanding what's changing can help you make smarter decisions and avoid costly mistakes. Here are six key changes to keep on your radar.

1. Possible tax changes for large super balances

One of the most talked-about changes is the government's proposal to increase tax on large super balances, also known as Division 296 tax.

Here's how it's expected to work (if the legislation passes):

» Balances up to $3 million: no change. Earnings continue to be taxed at 15% as they are now.

» Balances between $3 million and $10 million: an extra 15% tax on earnings, bringing the total to 30% on that portion.

» Balances above $10 million: the total tax rate on earnings will rise as high as 40%.

It's important to note:

» These changes are not law yet

» Only a small number of Australians would be affected

» Withdrawing super prematurely can be hard to undo because of contribution limits

If this may apply to you, the best approach is patience. Wait until the rules are final and get professional advice before making any big moves.

2. Payday super is locked in

One change that **is** definitely happening is payday super.

Currently, employers only have to pay super at least once every three months. From 1 July 2026, that changes.

Under the new rules:

» Employers must pay super at the same time as salary or wages

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This information has been prepared without taking into account your objectives, financial situation or needs. Because of this, you should, before acting on this information, consider its appropriateness, having regard to your objectives, financial situation or needs.

Six changes impacting your super ... cont

- Contributions must reach your super fund within 7 business days of payday
- For new employees, the first contribution must be paid within 20 business days of the salary or wages being paid

This is good news for workers. Paying super more frequently means:

- Your money gets invested sooner
- Less chance of unpaid or forgotten super
- Better long-term outcomes thanks to compounding

If you're an employer, now is the time to start preparing for these changes ahead of their commencement on 1 July 2026. Reviewing your payroll systems and internal processes early will help ensure a smooth transition. This may involve speaking with your payroll software provider, accountant, or registered tax professional to confirm your systems are compliant. If you need support, we're here to guide you through the process and help you get ready with confidence.

3. Contribution caps are expected to increase

Thanks to rising wages, super contribution limits are expected to increase from 1 July 2026.

While final confirmation depends on official figures released in late February 2026, the changes are widely expected to be:

- Concessional (before-tax) cap increasing to $32,500
- Non-concessional (after-tax) cap increasing to $130,000

These caps are linked to wage growth, and based on recent data, it would take a significant and unlikely drop in wages for indexation not to occur.

This change could create opportunities for:

- People topping up their super
- Those who arrange with their employer to salary sacrifice part of their income into super
- Individuals planning larger after-tax contributions

Once the new caps are confirmed, we'll let you know and help you understand what they mean for your super strategy.

4. Transfer balance cap: what's happening next?

The transfer balance cap (TBC) limits how much super you can move into a retirement-phase pension. Unlike contribution caps, the TBC is indexed to inflation (CPI) rather than wages.

Based on the latest December CPI figures, the TBC is set to increase from $2 million to $2.1 million from 1 July 2026.

This change will mainly affect people who haven't yet started a retirement pension. If you already receive a retirement pension from your super, you may still benefit from a partial increase, depending on your individual circumstances and how much of your cap you've already used.

5. More flexibility for legacy pensions

Good news for people stuck in older super pension products.

New rules now allow greater flexibility for certain legacy pensions, such as lifetime, life expectancy and market-linked pensions held in SMSFs.

Previously, these pensions:

- Couldn't be easily changed or exited
- Often no longer suited members' needs
- Had strict limits around reserves and conversions

Under the new rules:

- A five-year window allows eligible members to review and restructure these pensions
- This creates opportunities to simplify super and improve flexibility

Because legacy pensions are complex, professional advice, especially from an SMSF specialist, is strongly recommended before making changes.

6. Better fund performance, transparency and tech

Large APRA-regulated super funds continue to face increased scrutiny, and that's a win for members.

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Six changes impacting your super ... cont

In 2026, expect to see:

- Ongoing pressure on underperforming funds, including forced mergers
- Clearer reporting on fees, performance and investments
- Better tools to compare super funds and make informed choices

At the same time, technology is transforming how we interact with super. Many funds are rolling out:

- Smarter online dashboards
- Improved mobile apps
- AI-driven tools to help with investment choices and retirement planning

If you haven't logged into your super account lately, 2026 is a good year to start.

Final thoughts

Superannuation is a long-term game, and even small rule changes can have a big impact over time.

Take the time to review your super, stay informed about potential changes, and consider speaking to a financial adviser if needed. With the right knowledge and strategy, you can make sure your super keeps working hard for your retirement.

CGT: Buying a new home ... cont

In a similar fashion, you can use another concession (the "building concession") to treat any land you acquire on which to build a new home as your new home for the purposes of this six month overlap rule.

However, in both these cases the application of these particular concessions, and their interaction with the rule that allows you to treat an existing home and new home as CGT exempt for up to six months, can be quite complex. And much will depend on the precise facts of the case.

If you find yourself in the position of having bought yourself a new home before you sold your old one (or are intending to do this) come and speak to us – we will show you how the rules operate in your circumstances, and how they can be applied most advantageously.