



“The Bottom Line”

SIMMONDS LE-FEVRE

Tax & Super Information that's Important to You

March 2026

Payday super checklist for employers: Steps to stay compliant

From 1 July 2026, employers must pay their employees' superannuation guarantee (SG) contributions at the same time as salary or wages. This new system is known as payday super.

About this newsletter

Welcome to your tax and super update from Simmonds Le-Fevre. This newsletter is aimed at keeping you on top of the issues you need to know about and changes as they happen. If you have any queries don't hesitate to contact us.

T: 08 9441 1800 | E: slf@slf.com.au

© Content in partnership with the Institute of Financial Professionals Australia

Currently, most employers pay super on a quarterly basis. From July 2026, super will instead need to be paid each pay cycle.

The ATO has released a checklist to help employers prepare for this change. Below is a straightforward guide outlining what small businesses should be doing now to get ready.

If you're an employee, this article explains what your employer will need to do on your behalf from 1 July 2026. The aim of these changes is to ensure super is paid more frequently and reaches your super fund sooner.

continued overleaf →

Payday super checklist for employers ... cont

NOW: UNDERSTAND THE NEW REQUIREMENTS

- From 1 July 2026, SG contributions must be paid on every payday
- SG contributions must generally reach employees' super funds within 7 business days after payday
- Super will be calculated using a new concept called "qualifying earnings", so it is important to understand what this covers. In simple terms, qualifying earnings include an employee's ordinary time earnings (OTE) – that is, payments for ordinary hours of work, as well as certain types of paid leave, allowances, bonuses and lump sum payments. Qualifying earnings also include commissions, salary sacrificed amounts to super, and payments made to workers captured under the expanded definition of employee, such as independent contractors who are paid mainly for their labour
- Employers will need to report OTE/qualifying earnings and superannuation liabilities via single touch payroll (STP) software

FEBRUARY TO MARCH 2026: PLAN AND PREPARE

- Decide how your business will move from quarterly payments to payday payments
- Speak to us as your trusted accountant or payroll provider if unsure about how to transition to payday super
- Review how paying super more often will affect your cash flow and update your cash-flow forecasting and budgeting processes accordingly (we can help with this)
- Make sure all employee super fund details are correct and confirm member account numbers and unique superannuation identifiers are up to date to prevent any errors
- Fix any warning messages you receive from your employees' super funds as incorrect details may cause payments to be rejected after 1 July 2026 causing a late payment



APRIL TO JUNE 2026: LOCK IN YOUR PLANS

- Confirm your payroll software will be ready for payday super
- If using a clearing house, check it can support payday super and whether updates are required
- If currently using the ATO Small Business Superannuation Clearing House (SBSCH), transition to an alternative clearing house provider before 1 July 2026, as the SBSCH will cease operating from that date
- Download and retain all SBSCH transaction history before 1 July 2026. Once the service permanently closes, records will no longer be accessible. These records may be required in the future to respond to ATO reviews, audits or employee enquiries
- Put a process in place to quickly fix any SG contributions payment errors
- Allow enough time for SG contributions to clear so the super fund receives the contribution within 7 business days after payday
- Keep clear records of all super payments
- Pay SG contributions for the January – March 2026 quarter by 28 April 2026

continued on page 4 ➡

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.

Commonwealth Seniors Health Card ... cont



How this could affect your CSHC


If you're close to the CSHC income limit, higher deeming rates can increase your assessed income even if your actual investment earnings don't change. That may mean you:

- lose eligibility for the CSHC, or
- don't qualify when you otherwise expected to.

This risk is greatest for self-funded retirees who have significant taxable income in addition to their ABP where deeming applies.

What to do next

If you're near the thresholds, it's worth reviewing your adjusted taxable income plus any deemed income using the new deeming rates.

If you're unsure how this impacts you, consider seeking advice. A quick calculation can often show whether you're comfortably under the limit or sitting in the "at risk" zone as the new rates begin. 

Payday super checklist for employers ... cont

1 JULY 2026: PAYDAY SUPER STARTS

From 1 July 2026, payday super takes effect. To meet the new requirements, employers must:

- Pay SG contributions in full, on time and to the correct super fund. Failure to do so may result in penalties, including the superannuation guarantee charge (SGC), which can exceed the original super amount owed
- Ensure SG contributions are received by and allocated to employees' super funds within 7 business days of each payday
- Calculate SG contributions based on qualifying earnings
- Report qualifying earnings and SG liabilities via STP-enabled software
- Pay the final quarterly SG contribution for the April – June 2026 quarter by 28 July 2026
- Note that the SBSCH cannot be used for any payments made on or after 1 July 2026, and no late payment offset will apply for that final quarter.

FINAL REMINDER

Start preparing early by checking that payroll software is ready, reviewing cash flow and confirming employee super details are correct. Payday super is a significant change, but with proper planning the transition can be smooth. If you are uncertain about how the new rules will affect your cash flow or payroll processes, please contact us – we are here to help ensure everything is in place before the July 2026 start date. 