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## Payday Super

What employers should do to meet their super guarantee obligations under Payday Super (starting 1 July 2026).

### About Payday Super

Changes to how employers calculate, pay and report super guarantee under Payday Super from 1 July 2026.

### Paying super on payday

How to pay employee super guarantee under Payday Super from 1 July 2026, including due dates and qualifying earnings.

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## Payday Super resources



Resources to help you understand and get ready for Payday Super (starting 1 July 2026).

QC 105837

## About Payday Super

Changes to how employers calculate, pay and report super guarantee under Payday Super from 1 July 2026.

**Last updated** 9 April 2026

## How Payday Super works


Payday Super is a change to how you calculate and when you pay your employees' super guarantee. From 1 July 2026 you must pay employees their super guarantee on payday, at the same time as their salary and wages.

Super guarantee is:

- calculated as 12% of an employee's qualifying earnings (QE), which is a new term that brings together ordinary time earnings (OTE) and other payments
- paid to an employees' super fund on payday and received by the super fund within 7 business days (unless an extended timeframe applies, such as for new employees).

**Media:** Payday Super is here

<https://tv.ato.gov.au/media/bi9or7orsim83t>  (Duration: 2:40)

You can download this page as a printable fact sheet, [Payday Super \(PDF 175KB\)](#) .

## What you need to do

- Check the information below about what's changing.
- Plan ahead. Review your payroll systems and super processes and get ready to pay super guarantee more frequently.
- Stay informed. Keep checking these pages for updates or speak to your tax professional for advice.

You don't need to wait until 1 July 2026 to start paying super at the same time as you pay salary and wages – you can start now.

## What's changing

- [Deadline for super payments](#)
- [Calculating super guarantee amounts](#)
- [Reporting super payments](#)
- [Late payments and the super guarantee charge \(SGC\)](#)
- [Penalties](#)
- [Small Business Superannuation Clearing House \(SBSCH\)](#)
- [Checking employee data and processing payments](#)
- [Allocations by super funds](#)

## Deadline for super payments

### Now

Super guarantee payments must be received by a super fund within 28 days of the end of the quarter, but can be paid quarterly or more frequently, e.g. monthly.

The due dates are 28 October, 28 January, 28 April and 28 July.

### From 1 July 2026

Super guarantee payments must be paid to an employees' super fund at the same time as paying qualifying earnings (QE), on payday, and received by the super fund within 7 business days.

There are some exceptions to the 7-day deadline, such as for new employees.

For more information see [Payment deadlines for Payday Super](#).

## Calculating super guarantee amounts

### Now

The super guarantee amount is calculated as 12% of ordinary time earnings (OTE).

### From 1 July 2026

The super guarantee amount is calculated as 12% of qualifying earnings (QE). QE includes OTE, salary sacrifice contributions and other amounts that are currently included in an employee's salary or wages for super guarantee.

For more information see [What payments are qualifying earnings](#).

## Reporting super payments

### Now

You report either OTE or super liability through Single Touch Payroll (STP).

### From 1 July 2026

You report both QE and super liability through STP.

## Late payments and the super guarantee charge (SGC)

### Now

The SGC applies when amounts aren't received by a super fund within 28 days of the end of a quarter. The SGC:

- is self-assessed by the employer, who must lodge an SGC statement
- is calculated based on salary and wages
- includes interest at 10% per annum
- includes a flat administration fee
- is not tax deductible.

### From 1 July 2026

The SGC applies when amounts aren't received by a super fund within 7 business days of payday (unless an extended timeframe applies, such as for new employees). The SGC:

- is assessed by the ATO
- is calculated based on QE
- includes interest that compounds daily at the general interest charge rate
- includes an administrative uplift, which can vary based on an employer's history of meeting super guarantee obligations and may be reduced by a voluntary disclosure
- is tax deductible.

For more information see:

- [Missed or late Payday Super payments.](#)
- [The new super guarantee charge.](#)

## Penalties

### Now

Penalties are a maximum of 200% of the SGC, which can be remitted in part or in full.

### From 1 July 2026

Penalties are 25% or 50% of the unpaid SGC, depending on any prior penalties.

## Small Business Superannuation Clearing House (SBSCH)

### Now

The SBSCH closed to new users on 1 October 2025.

Existing users have access to the service until 30 June 2026. All users must transition to an alternative option to pay their employees' super. See [How to pay super.](#)

### From 1 July 2026

SBSCH is no longer available.

## Checking employee data and processing payments

### Now

- Super payments may take a number of days to be received by a super fund.
- Employers receive incomplete or inaccurate data from their employees, which causes errors when they try to contribute to a super fund and delayed payments.
- Employers are unaware of key changes to large super fund's details.

### From 1 July 2026

To help employers and intermediaries meet the new deadlines, the SuperStream data and payment standards will be revised to:

- allow near real-time payments through the New Payments Platform
- improve error messaging so you can address errors faster
- provide a new member verification request, which enables employers to confirm that a super fund can match their employee contribution to the super fund for the first time and will accept a contribution for them.

Improvements to the Fund Validation Service will also give employers early notice of key changes to large super fund's details, such as fund mergers, that could affect their ability to make contributions to super funds.

## Allocations by super funds

### Now

Super funds have 20 business days to allocate or return contributions.

### From 1 July 2026

Super funds have 3 business days to allocate or return contributions.

For more information see [Changes to SuperStream](#).

## Expected change

**This information is not yet law**

The information below is intended to help you prepare for anticipated changes from 1 July 2026. For updates on the progress of the law see [Payday superannuation legislation](#).

## Offering employees a stapled fund

### Now

You must provide your employees with a choice of super fund and request stapled super fund details from the ATO if you don't receive a choice form from an employee.

### From 1 July 2026

You can request a stapled super fund and offer this to your employee at the same time you provide their choice form.

You must still provide your employees with a choice of super fund and request stapled super fund details from the ATO if you don't receive a choice form from an employee.

QC 105838

## Payday Super: How to manage super during the changeover

How to change from quarterly super to the new Payday Super from 1 July 2026.

**Last updated** 29 April 2026

**Media:** Managing the changeover to Payday Super

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7or5xz1ux>  (Duration: 3:18)

## What you need to do in 2026

This information will help employers manage the changeover to Payday Super. Here are the key things to know from 1 July 2026.

- Employers pay super guarantee for each payday, instead of quarterly.
- Payments are due in employees' super accounts within 7 business days after payday (unless longer applies, such as for new employees).
- The Small Business Superannuation Clearing House (SBSCH) will be closed. You need to [download your SBSCH records](#) and switch to an alternative provider before it shuts down permanently on 30 June 2026.
- For the [quarter ending June](#), you will continue to pay super guarantee in full, on time and to the right fund, by the quarterly due date. This way, you will avoid the super guarantee charge. The final quarterly payment (June quarter) is due in employees' super accounts by 28 July.
  - If you miss the 28 July due date, you will need to lodge a [super guarantee charge \(SGC\) statement](#) and pay the SGC for the quarter ending 30 June 2026.
  - The [late payment offset won't be available for the final June quarterly payment](#).

For a comparison of the differences between the current system and the changes from 1 July 2026, see [About Payday Super](#).

## How to pay super during the June–July changeover

### Quarter ending 30 June 2026

For the quarter ending 30 June 2026, you continue to calculate, pay and report super guarantee for your employees (including eligible contractors) under the [existing quarterly super guarantee rules](#). This means you:

- calculate super based on the [ordinary time earnings](#) you've paid to your employees between 1 April and 30 June
- pay before the due date of 28 July to allow time for super funds to receive and allocate the money to employees' accounts.

Be sure to finalise your June quarter payments by 28 July 2026 (or earlier).

If you miss this deadline:

- you must lodge a super guarantee charge statement by 28 August and pay the SGC to us for the June quarter
- the [late payment offset](#) is not available
- any super payments received on or after 29 July will be applied under the new Payday Super rules, even if you intended these payments to be made for any super you owe for the June quarter.

## Pay runs from 1 July 2026

From 1 July 2026 you calculate, pay and report super guarantee for your employees (including eligible contractors) under the [Payday Super rules](#).

This means you:

- calculate super based on the [qualifying earnings](#) you pay to your employees from 1 July (even if the work that earned this pay was done before 1 July)
- pay super guarantee for each payday so the money is in your employees' super accounts within 7 business days after payday (unless longer applies, such as for new employees).

Super for pay runs in July may be due before your final quarterly super payment is due on 28 July. Contributions received on or before 28 July will reduce any super owing for the June quarter **first**. If there is any remainder, contributions will then be used under Payday Super. If you pay on time for quarterly and Payday Super you don't risk incurring penalties.

### Example: paying super during the changeover

Priya has 5 employees. She pays their super quarterly and their wages fortnightly on a Monday. Priya knows that this July she will need to pay the super under the quarterly super system for the last time, as well as start paying under the new Payday Super system.

For Priya, this means she'll need to pay super for the:

- April to June 2026 quarter (due in employees' super accounts by 28 July 2026)
- payday on Monday 6 July 2026, now subject to the new Payday Super rules, (due to employees' super accounts by Wednesday 15 July, which is 7 business days after payday).

For the June quarter payment, Priya works out the super guarantee as 12% of the ordinary time earnings she paid to her employees between 1 April and 30 June 2026. The last pay run she includes in this calculation is the payday of Monday 22 June.

For the payday of 6 July 2026, Priya works out the super guarantee as 12% of the qualifying earnings she paid to her employees on that day.

Priya pays her first Payday Super payment on 6 July (payday), and it's received on 13 July.

She then finalises her quarterly contributions and pays that on 10 July, which is received on 15 July.

Priya knows that contributions received on or before 28 July will go to super owed for the June quarter first. This means her Payday Super payment will be used to pay a portion of the June quarter payment. She also knows that if she pays the correct amount for both her quarterly payment and her first Payday Super payment, in full by 15 July, both contributions will be made on time.

## Managing your cash flow

You may have multiple super payments due during July 2026, including:

- super payments for each payday
- the final quarterly super payment due 28 July.

You should review your expected pay cycles for July to understand the impacts of paying super each payday. You may consider setting aside additional funds to make sure you can meet your obligations. For more information, see [Manage your business cash flow](#).

If your cashflow permits, you can pay your June quarter super on or before your first payday in July. If you do this, your business will have:


- a more seamless changeover to the Payday Super system
- time to correct any rejected payments before the 28 July deadline.

## How often to pay wages

The Fair Work Ombudsman provides information about when and how to pay your employees.

Most awards or agreements will set out when employees must be paid:

- weekly
- fortnightly, or
- monthly.

If it doesn't, employees must be paid at least monthly. For more information, visit the [Fair Work Ombudsman's website](#) .

### Example: July cash flow when paying super quarterly

Mark has 7 employees. He currently pays their super quarterly and their wages fortnightly on a Monday.

To prepare for Payday Super, Mark reviews his pay cycles in June to figure out how many times he'll need to pay super in July. He works out that he'll have to pay super for 3 periods in July:

- the April to June 2026 quarter (super is due by 28 July 2026)
- the payday on Monday 6 July (Mark's first payday under the Payday Super rules which must be received and can be allocated by funds within 7 business days, by 15 July in this case)
- the payday on Monday 20 July (super is due to employee's super funds by 29 July).

Mark puts aside extra money to make sure he has enough to meet all his obligations on time.

Mark knows that super contributions received on or before 28 July go to super owed for the April to June quarter, first. He decides to pay his last quarterly super payment and his first

Payday Super payment at the same time on 6 July so both payments will reach employees' funds by 15 July.

## How to report super in Single Touch Payroll

From 1 July 2026, employers must report the year-to-date amount of [qualifying earnings](#) (QE) for each employee through their Single Touch Payroll (STP) reporting each payday. Qualifying earnings is a new term for the types of payments you make to employees that are used to calculate the super guarantee under Payday Super.

Employers will also have to report the year-to-date super liability for each employee.

Employers can't report QE prior to 1 July 2026. Until then, employers must report either OTE or super liability in STP to be compliant.

You should review your STP software and prepare to correctly map pay codes now. This will help you meet reporting obligations and ensure readiness when updated payroll software is available.

For more information, see [When to start reporting QE in STP](#).

## If you don't use Single Touch Payroll yet

All employers should now be STP reporting and transitioned to STP Phase 2 reporting unless covered by a [deferral](#) or [exemption](#).

If you are required to report using Single Touch Payroll (STP), you must [report accurately and on time](#). Failing to report using STP may result in penalties. For further information, see draft [PS LA 2026/D2: Administration of penalties for failure to comply with Single Touch Payroll reporting obligations](#).

If you can't report qualifying earnings and super liability from 1 July 2026, you should begin reporting these amounts as soon as possible after that date. From 1 July 2027, if you don't report these amounts, we'll reject your reporting and penalties may apply.

You don't need to request a deferral if you can start reporting qualifying earnings during the 2026–27 financial year.

## If you don't use SuperStream

[SuperStream](#) is the way businesses must pay employee superannuation guarantee contributions to super funds.

If you pay direct to a fund and don't use SuperStream for super payments, you may receive returned payments without error codes.

If you use SuperStream, you can contact the super fund or clearing house (if you use one) directly to find out more about where to find errors.

Common errors include:

- incorrect USI or member number
- ABN mismatch
- incorrect fund details
- inactive [electronic service address](#) (for payments to self-managed super funds)
- incorrect contribution amounts.

You should also speak with your clearing house (if you use one) and your employees' super fund to make sure that you are using a SuperStream compliant method.

Remember, employers must ensure super payments reach employees' super funds within 7 business days after payday (some longer timeframes may apply).

## **Preparing to meet the 7 day timeframe for Payday Super**

Payments can take time to reach super funds. Sometimes errors occur and this adds additional processing time. When Payday Super starts, your payments must be received (and have enough information to be allocated) by super funds within 7 business days after payday to avoid the super guarantee charge (SGC). This timeframe needs to take into account the time it takes for processing and for errors to be rectified.

To make sure you're ready to meet this 7 business day timeframe, speak with your payroll provider, clearing house (if you use one) and your employees' super fund to understand:

- how long your clearing house takes to process payments

- whether payments are processed via the New Payments Platform (which is almost immediate)
- where you can find error messages (in your payroll product, clearing house portal, or from the fund)
- how long it takes for a payment to return if rejected (funds have 3 business days to allocate or return contributions to you if they're unable to be allocated).

For steps you can follow to prepare for 1 July, see our [Payday Super checklist for employers](#). We have released our [compliance approach](#) for the first year of payday super, for employers who may have difficulty changing over.

### **Example: meeting the 7 business day timeframe**

Mandy is preparing for Payday Super and wants to ensure any payments she makes will be received and can be allocated by her employee's super fund within 7 business days after payday.

Mandy speaks with her clearing house and finds out it currently takes them 10 business days to process her payments. However, from 1 July 2026 they'll upgrade to the New Payments Platform and payments will be processed within one business day.

Mandy understands the fund will have 3 business days to reject the payment if it can't be allocated to a member account. She also finds out where she can view error messages in case this occurs.

Knowing these timeframes, Mandy decides she will pay super on payday (not after). This will ensure she has time to process payments and resolve any errors with the fund within 7 business days after payday.

### **Member verification request**

A new member verification request (MVR) allows you to use your payroll or software solution to verify an employees' super fund details before the contribution is made. An MVR can be used:

- before making a contribution to a super fund for the first time
- where there has been a change in employee information (such as name)
- where a contribution has previously been rejected.

[To reduce errors from 1 July](#), speak to your payroll provider about how you can access the MVR.

## Getting your records from the Small Business Superannuation Clearing House

The Small Business Superannuation Clearing House (SBSCH) closes permanently from 1 July 2026. After this date you won't have access to it to process payments or to download your records.

If you are currently using the SBSCH:

- you should change to an alternative provider
- download your super records before 11:59 pm AEST on 30 June 2026
- the March quarter payment (due 28 April) is the last payment you can make through the SBSCH
- you won't be able to make a payment using the SBSCH for the June quarter (due 28 July), unless it is made on or before 30 June.

Use this checklist to [transition out of the SBSCH](#) before it closes.

### Example: leaving the SBSCH

Company A and Company B both use the SBSCH.

Company A:

- downloads their super records from the SBSCH after making their March quarter payment (due 28 April)
- switches to a new provider, which they use for their June quarter payment (due 28 July) and subsequent Payday Super payments.

Company B:

- continues to use the SBSCH for the June quarter
- must pay their June quarter super by 30 June (not 28 July), leaving enough time for the [payment to be processed](#) before the SBSCH closes
- must download their super records from the SBSCH immediately after making the June quarter super payment
- doesn't have time to test new processes before switching to a new provider for their first payday in July.

## How to tell your employees about Payday Super

Your staff may have questions or concerns about Payday Super. You can tell them:

- super will be paid every payday, instead of every quarter
- the super payment will still be shown on their payslip
- the super payment will be received by their fund within 7 business days after payday, however it may not be visible in their account straight away (depends on how often the fund updates information)
- there is no change to the amount of super they will receive (unless their pay changes)
- they must keep their contact details up to date with the ATO, the super fund and their employer to avoid errors when paying their super.

## Concessional contributions cap

Changes have been announced to avoid employees exceeding their [concessional contributions cap](#) in 2026–27, where this is a result of having additional super payments made due to Payday Super starting. The cap is the maximum super you can receive each year at a lower tax rate. For the 2026–27 year, the concessional contributions cap is \$32,500.

This is not yet law.

## If you have difficulty changing over to Payday Super

If you start paying super for each payday from 1 July, but some payments are received late (for example, due to incorrect details and the super fund rejecting payments and you fix the error quickly) you're likely to be considered low risk by the ATO.

### Our compliance approach

We have released a [practical compliance guideline](#) to outline our approach to compliance during the first year of Payday Super. Under this compliance guideline, you won't be the focus of ATO compliance action as long as you:

- make your payments for each payday on time
- fix any errors as soon as possible.

We will take a firmer approach to:

- serious or deliberate cases of non-compliance
- employers not attempting to pay super guarantee for each payday.

QC 106539

## SuperStream changes

An overview of upgrades to SuperStream from 1 July 2026 for employers.


**Last updated** 18 November 2025

This information is also available as a PDF – see [SuperStream changes \(PDF, 155KB\)](#) [↓](#).

## SuperStream improvements

SuperStream is the way that employers pay contributions, including superannuation guarantee (SG), for their employees. It requires you to

provide payments and related data to super funds, including self-managed super funds, electronically in a standard format.

From 1 July 2026, we will upgrade the SuperStream contributions messaging to [version 3](#) . This upgrade will help you meet your SG obligations and avoid charges and penalties by:

- reducing the likelihood of employees' contributions being rejected by a super fund
- providing clearer error messages when a contribution is rejected by a super fund
- enabling faster payment of contributions
- knowing sooner when important super fund details are changing.

## Reducing errors

A new member verification request (MVR) will allow your payroll or software solution to verify an employees' super fund details are valid and can be accepted by their super fund before the contribution is made. This process can be used before making a contribution to a super fund for the first time, where there has been a change in employee information (such as name) or a where a contribution has been previously rejected. These secure messages can't be used to check details before a regular contribution is made.

Super funds will quickly confirm the employee matches an active account and that they can accept your contributions for that employee.

If a super fund can't match the employee details to accept contributions, the message will let you know why. This gives you time to resolve issues with your employee before you need to make the contribution.

Using the MVR significantly cuts down common errors that currently happen.

## Better error messaging

Where errors do occur, timely, clearer and more meaningful error messages will give you the information you need to quickly resolve errors with your employees, so you can resubmit the contribution.

## Faster payment of contributions

The New Payments Platform (NPP) is a real-time payments platform used across Australia. The NPP improves how quickly a contribution can be received by employees' super funds.

Contributions made through payroll systems or clearing houses using the NPP could be received by the super fund on the same day you make the payment, reducing payment delays.

Payments made through some service providers may take longer to reach the super fund.

All super funds must be able to receive NPP payments from 1 July 2026. You or your digital service provider will be able to choose to use NPP to make contributions. Some super funds will be ready to receive faster payments before 1 July 2026.

## **Earlier visibility of super fund changes**

Payroll and clearing house software will have access to new information from us that can provide you with early notice of key changes to large super funds' details. For significant changes that affect where contributions are paid for employees, such as fund mergers, you can use this information to plan and manage where contributions need to be paid.

## **What to do before 1 July 2026**

You need to:

- Check with your digital service provider for payroll services on when your software will be ready to support improved error messaging and the new MVR, and any changes you need to make.
- Review error messages you receive from super funds. Any payments you currently make that receive a warning or information message could be rejected after 1 July 2026.
- Review how you pay contributions. Find out when your payroll, clearing house or super fund will be ready to support NPP, if there are any updates you need to make and how long payments will take to reach a super fund.
- Check your default super fund registration details are up to date.
- Stay up to date. Look for updates from the ATO, your digital service provider and your super funds.

# Payday Super

These improvements support changes to when and how SG contributions are paid for employees. From 1 July 2026, you will need to pay SG contributions for employees at the same time as their salary and wages, on payday. For information about Payday Super, visit [Payday superannuation](#).

The Small Business Superannuation Clearing House (SBSCH) will close from 1 July 2026. If you use the SBSCH you need to transition to an [alternative SuperStream option](#).

QC 105826






## Payday Super resources

Resources to help you understand and get ready for Payday Super (starting 1 July 2026).

**Last updated** 13 May 2026

## Fact sheets and checklists

To help you understand and get ready for Payday Super, we've developed the following resources.

- [Key changes to super guarantee \(PDF, 175KB\)](#)  fact sheet compares the super systems that apply before and after 1 July 2026, so you can see what's changing.
- [Qualifying earnings \(QE\) \(PDF, 164KB\)](#)  fact sheet explains what you need to know about QE. For more detailed information, see [What payments are qualifying earnings](#).
- [SuperStream changes \(PDF, 155KB\)](#)  fact sheet explains the changes happening to SuperStream.
- [Payday Super checklist for employers \(PDF, 199KB\)](#)  includes information on when and how to prepare for Payday Super.
- [Small Business Superannuation Clearing House \(SBSCH\) checklist \(PDF, 771KB\)](#)  explains how to transition from the SBSCH.

- [Payday Super – easier to read](#) Easier to read information about Payday Super changes for employees.

## Videos

**Media:** Managing the changeover to Payday Super

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7or5xz1ux> [External Link](#) 

(Duration: 3:18)

**Media:** Changes to SG and SGC

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7or5sq5yq> [External Link](#) 

(Duration: 3:21)

**Media:** Countdown to Payday Super: 4 months to go

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7or3x5bw8> [External Link](#)  (Duration:

2:50)

**Media:** Employers – get ready for Payday Super

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7orsim83t> [External Link](#)  (Duration:

2:40)

**Media:** Payday Super: what small businesses need to know

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7orz9pjfh> [External Link](#)  (Duration:

3:07)

**Media:** Payday Super: What tax professionals need to know

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7oraf53j3> [External Link](#)  (Duration:

4:09)

## Webinars

**Media:** Payday Super webinar for tax professionals

<https://tv.ato.gov.au/ato-tv/media?v=bi9or7or4obqoi> [External Link](#)  (Duration:

61:11)

**Media:** Payday Super webinar for employers

<https://tv.ato.gov.au/media/bi9or7or5aex8c>  (Duration: 38:10)

## Explaining qualifying earnings

An overview of qualifying earnings for employees under Payday Super.

## Payday Super checklist for employers

Use this checklist to get ready for Payday Super, which starts 1 July 2026.

## How to transition from the SBSCH

The SBSCH closes permanently on 1 July 2026. Download your records now.

QC 106087

# Explaining qualifying earnings


An overview of qualifying earnings for employees under Payday Super.

**Published** 27 January 2026



**This information is only for employee earnings paid from 1 July 2026.**

For employee earnings paid up to 30 June 2026, the quarterly super guarantee rules apply. See [How much quarterly super to pay](#).

This information is also available as a PDF - see [Qualifying earnings fact sheet \(PDF, 164KB\)](#) .

## What are qualifying earnings?

Qualifying earnings (QE) are the types of payments made to employees that are used to calculate their super guarantee (SG) under Payday Super.

QE includes:

- ordinary time earnings (OTE), i.e. payments for ordinary hours of work including certain types of paid leave, allowances, bonuses and lump sum payments. Find out [what payments are considered OTE](#)
- all commissions paid to an employee
- salary sacrifice amounts that would qualify as QE had they not been sacrificed to superannuation
- earnings paid to workers who fall under the expanded definition of employee, including payments to independent contractors paid mainly for their labour.

## What does QE mean for employers

From 1 July 2026 all employers will use qualifying earnings (QE) as the base to calculate both the SG amount and the super guarantee charge (SGC). Currently employers calculate SG and SGC on different earnings bases.

For many employers, the new concept of QE doesn't change the amount of SG you are currently paying for your employees.

Most employees are [eligible](#) for SG. Independent contractors paid mainly for their labour are considered employees for SG purposes.

## How to calculate, pay and report SG

### Before 1 July 2026

- Calculate SG as 12% of eligible employees' OTE
- Pay super at least once a quarter

- Report OTE or super liability (or both) in Single Touch Payroll (STP)

## **From 1 July 2026**

- Calculate SG as 12% of eligible employees' QE
- Pay super at the same time as QE (on pay day)
- Report both QE and super liability in STP

## **When to start reporting QE in STP**

From 1 July 2026, employers will be required to report the year-to-date amount of QE for each employee through their STP reporting each payday.

Employers will also have to report the year-to-date super liability for that employee.

## **Reporting payments made to independent contractors**

It isn't mandatory to report payments made to independent contractors paid mainly for their labour in STP. You'll need to [confirm their eligibility](#) for super.

If you do choose to report for these workers, you'll need to report both QE and super liability.

## **Changes to reporting in STP**

### **Before 1 July 2026**

Employers need to report one or both of OTE and super liability for each eligible employee.

### **From 1 July 2026**

It is mandatory to report each eligible employee's QE and super liability.

STP reports that don't include both amounts by 1 July 2027 will be rejected.

## Why both QE and super liability are reported

QE replaces OTE as the base for calculating an employer's SG payments.

An employer may have additional obligations to pay super under an industrial instrument, such as an award or agreement. These amounts **may not** be QE but can continue to be reported as super liability in STP.

## Examples

### Example 1: allowance that is not OTE or QE

EmployerA Pty Ltd pays under an award that requires employees to be paid 38 ordinary hours and \$22.96 tool allowance per week. The award requires their super to only be paid on ordinary hour payments (not allowances).

The tool allowance is an expense allowance paid with the reasonable expectation that the amount will be fully expended by the employee in the course of providing their services.

The tool allowance is not ordinary time earnings (OTE) or qualifying earnings (QE).

In STP, EmployerA Pty Ltd:

- reports the total amount paid for the 38 ordinary hours per week as QE
- does not report the tool allowance as QE
- includes the total amount of super payable on the 38 ordinary hours at Superannuation Liability.

### Example 2: superannuation on paid parental leave under an industrial instrument

EmployerB Pty Ltd has an enterprise agreement in which employees are entitled to 12 weeks paid parental leave paid by the employer. Their enterprise agreement also stipulates that superannuation is to be paid on all paid leave.

Paid parental leave is not ordinary time earnings (OTE) or qualifying earnings (QE).

EmployerB Pty Ltd still calculates and pays super on the paid parental leave amounts because they have the additional industrial obligation to do so.

In STP, EmployerB Pty Ltd:

- does not report the paid parental leave amount as qualifying earnings
- includes the total superannuation amount payable on the paid parental leave at Superannuation Liability.

### **Example 3: superannuation on overtime under an industrial instrument**

EmployerC Pty Ltd pays under an agreement that has a clause requiring superannuation to be paid on all remuneration, including overtime.

Overtime is not ordinary time earnings (OTE) or qualifying earnings (QE).





EmployerC Pty Ltd still calculates and pays super on the overtime amounts because they have the additional industrial obligation to do so.


In STP, EmployerC Pty Ltd:

- does not report the overtime amounts as qualifying earnings
- includes the total superannuation amount payable on QE and overtime at Superannuation Liability.

## Working out OTE and QE

Below is an example of the most common types of OTE and QE payments. You can see more details and information at [What payments are qualifying earnings](#).

Payment	Salary and wages	OTE	QE (from 1 July 2026)
<b>Hours and loading</b>			
<a href="#">Ordinary hours of work</a> 	Yes	Yes	Yes
Casual loading	Yes	Yes	Yes
<a href="#">Shift penalties</a>  (including public holiday penalties)	Yes	Yes	Yes
<a href="#">Overtime</a>  payments	Yes	No	No
<b>Leave types</b>			
Annual leave	Yes	Yes	Yes
Rostered days off – time taken and paid at ordinary rates	Yes	Yes	Yes
<a href="#">Sick, personal and carers leave</a> 	Yes	Yes	Yes
<b>Salary sacrifice</b>			
Salary sacrificed to superannuation – amount that would otherwise be OTE if paid to the employee	Yes	Yes	Yes

Salary sacrificed to superannuation – amount that would not otherwise be OTE if paid to the employee (such as paid parental leave or overtime)	Yes	No	No
<b>Commission</b>			
<a href="#">Commission payments</a> 	Yes	Yes	Yes
Commission solely for work performed entirely outside ordinary hours	Yes	No	Yes

## How to get ready to report QE

Your digital service provider will let you know when your software is ready to report QE. You can check with them to find out when their STP product will be updated.

Review your STP reporting. Make sure you're lodging on time, your pay codes and employee details are correct, and your contact details are up to date.

Visit [Payday Super](#) for details about QE and how to be ready.

QC 106088

## Payday Super checklist for employers

Use this checklist to get ready for Payday Super, which starts 1 July 2026.

**Published** 27 January 2026



## This information is only for employee earnings paid from 1 July 2026.

For employee earnings paid up to 30 June 2026, the quarterly super guarantee rules apply. See [Super for employers](#).

This information is also available as a PDF - see [Payday Super checklist for employers \(PDF, 199KB\)](#)

## Now: Understand the new requirements

**Check the changes.** Payday Super starts 1 July. Understand what this means for your business by visiting [ato.gov.au/paydaysuper](https://ato.gov.au/paydaysuper) or watching our [Payday Super video](#) on the key changes.

## February to March 2026: Plan and prepare

### Plan your transition

**Set a start date.** You need to make a super contribution for eligible employees for each payday from 1 July.

**Get advice if you need it.** Talk to your tax professional if you're unsure about the best timing for your business to transition, or how you'll pay super going forward.

### Prepare your business

**Review cash flow.** Update your business process so that you can pay super with each pay cycle. Our [Cash Flow Kit](#) has tools and resources to help you successfully manage cash flow.

#### **Review payroll governance and business processes:**

- Check you have up-to-date super fund details for all eligible employees. Check this information is correct (such as member account numbers and unique superannuation identifiers) to prevent any errors.
- Review and correct error messages you receive from super funds. Any payments you currently make that receive a warning or

information message now could be rejected after 1 July 2026, causing a late payment.

## **April to June 2026: Lock in your plans**

**Confirm when your software will be ready.** Contact your digital service or payroll provider to find out.

- If you use a clearing house or super fund portal, check if they are ready and if you need to make any updates.

**If you're still using the Small Business Superannuation Clearing House (SBSCH),** transition now to an alternative provider – see the [SBSCH checklist](#).

**Check payroll governance processes:**

- Set up a process to quickly correct any errors with your super contributions so the super fund receives the contribution within 7 business days after payday.

**Understand the new concept 'qualifying earnings' (QE):**

- Read about how this applies to calculating your super guarantee (SG) payments at [ato.gov.au/QE](https://ato.gov.au/QE) or on our [factsheet](#).

**Pay your SG for the January to March quarter by 28 April 2026.**

**You must switch to Payday Super from 1 July.**

## **July 2026: Payday Super starts**

**Payday Super is now law.** Super guarantee charge (SGC) may apply if contributions are not made on time, in full and to the correct fund.

**When paying super, you must:**

- ensure all SG contributions are received by, and can be allocated by, your eligible employees' super funds within 7 business days after payday (unless longer applies)
- calculate super from qualifying earnings
- report qualifying earnings and super liability in your Single Touch Payroll (STP)-enabled software.

**Make your final quarterly payment by 28 July 2026**

- Remember you won't be able to use the SBSCH for any payments on or after 1 July 2026.
- There is no late payment offset available for this quarter.

## Tips and resources

Avoid SGC by paying your eligible employees' super in full, on time and to the correct fund. For Payday Super, this means contributions need to be received by, and can be allocated by, the super funds within 7 business days after payday (unless longer applies). We recommend you pay super on payday as you need to allow time for payment processing and any corrections to be made.

Understand the ATO's [compliance approach](#) for 2026–27.

For more resources, including the guide to leaving the SBSCH, visit [Payday Super resources](#).


QC 106089

## How to transition from the Small Business Superannuation Clearing House

The SBSCH closes permanently on 1 July 2026. Download your records now.

**Published** 27 January 2026

**You won't be able to log in to the SBSCH to submit instructions or view records after 11:59 pm AEST on 30 June 2026.**

This information is also available as a PDF - see [How to transition from the Small Business Superannuation Clearing House checklist \(PDF, 771KB\)](#) 

## What you need to do

Use this checklist to transition out of the SBSCH before it closes.

You should allow sufficient time to transition to an alternative provider and download your super records.


If you pay super quarterly, we recommend your super payment for the January–March quarter (due 28 April 2026) be the last payment you make through the SBSCH. After this payment, download your records and use an alternative option.

The April–June quarter payment (due 28 July 2026) cannot be made using the SBSCH after 30 June 2026.

You don't have to wait until 1 July to get ready– you can start now.

## February to March 2026: Get ready

### Choose an alternative provider to the SBSCH

- Check your existing payroll software - it may already have super payment functions.
- Check other payroll software or providers. See the [SuperStream Product Register](#) .
- Find a commercial clearing house or super fund that provides payment options. This might include your default super fund.

**Get advice if you need it.** Talk with your tax professional if you're unsure about the best timing for your business to transition, or how you'll pay super going forward.

## April 2026: Make your final SBSCH payment

**Plan to use the SBSCH for the last time** for the January–March quarter super payments, which is due on 28 April.

# May to June 2026: Prepare to use your alternative provider

Follow these steps only after making your final payment through the SBSCH.

## Download each of your employee payment transaction records before 30 June 2026

1. Log in to the **SBSCH** via ATO online services.
2. Go to the **Payment Instruction** tab, then the **Historical** tab.
3. Select the relevant period to display the details of the **Payment** instructions for selected dates.
4. Select the **Print friendly version** button.
5. Save the files [safely and securely](#) for future reference or audit purposes.

## Download each of your employees' details before 30 June 2026

1. Log in to the **SBSCH** via ATO online services.
2. Go to the **Employees** tab.
3. Filter for **All**, **Active** or **Inactive** employees.
4. Scroll to the bottom of the page and update the **Results per page** drop down to 100.
  - a. If you have more than 100 employee records you will need to repeat these steps. Use the Page navigation below the list of employees to view the next page of employees.
5. Select the **down arrow** beside each displayed employee record. Note that the employee's Unique Superannuation Identifier (USI) may display as "Not provided" even if you have done so. If you need the employee's USI you will need to speak with them.
6. Access printer options from your internet browser.
7. Select the appropriate option to **Print to a PDF file**.

8. Save the PDF file [safely and securely](#) for use when manually transferring employee super fund details into your chosen clearing house or payroll software.

## **Stop using the SBSCH and test your new payment method**

- Conduct a test pay run for super payments before 30 June 2026 through your new payment method.
- Make sure you're ready to pay super each payday and know how to handle rejected contributions and error alerts.

**There is no access to the SBSCH after 11:59 PM AEST on 30 June 2026. Your login will be disabled.**

## **July 2026: Use your alternative provider to pay super**

### **Use your alternative provider to pay outstanding super for the April to June quarter due 28 July 2026**

- This is the last quarterly super payment. Any payments made after 28 July will be for Payday Super.

### **From 1 July 2026, you must pay your employees' super each payday instead of quarterly**

- This applies to employee earnings from 1 July 2026.
- For more information see [Payday Super](#).
- See the [Payday Super checklist for employers](#).

## **Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

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