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## Superannuation

Access information about new legislation relating to superannuation.

### Better targeted superannuation concessions

From 1 July 2026 tax concessions will be reduced for certain earnings for superannuation balances above \$3 million.

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Changes to legacy retirement product commutations and reserve provisions now effective.

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New legislation where the government will pay super guarantee equivalent payments on government funded Parental Leave Pay.

## Low Income Superannuation Tax Offset (LISTO)

From 1 July 2027 the government is boosting LISTO by increasing the income threshold and payment cap.

QC 100859

## Better targeted superannuation concessions

From 1 July 2026 tax concessions will be reduced for certain earnings for superannuation balances above \$3 million.

**Last updated** 13 October 2025

On 13 October 2025, the Australian Government announced they were making practical changes to the design and implementation of the better targeted superannuation concessions measure that was previously announced on 28 February 2023. The measure is intended to reduce tax concessions for individuals with a total super balance above \$3 million from 1 July 2026.

Government will undertake consultation with the superannuation industry and other relevant stakeholders.

This measure is not yet law.

## More information

- [Reforms to support low-income workers and build a stronger super system](#) 
- [Better Targeted Superannuation Concessions changes](#) 

QC 105024

# Legacy retirement product commutations and reserves

Changes to legacy retirement product commutations and reserve provisions now effective.

**Last updated** 10 December 2024

Changes to the law allowing individuals to exit legacy retirement products and the treatment of allocations from reserves for contribution cap purposes came into effect on 7 December 2024.

The changes:

- enable individuals to exit a specified range of legacy retirement products for up to 5 years
- allow for more flexible pathways to make allocations from a reserve, by:
  - providing that where a reserve supported an income stream that is ceased, and the reserve is allocated to the former recipient of that income stream, it will be exempt from both contribution caps
  - counting other reserve allocations towards an individual's non-concessional contributions instead of their concessional contributions.

The changes apply to legacy lifetime, life expectancy and market-linked superannuation income stream products that generally commenced prior to 20 September 2007, or were commenced as a result of a conversion of an earlier legacy product that commenced prior to that date.

More information on the changes can be found by visiting [Treasury Laws Amendment \(Legacy Retirement Product Commutations and Reserves\) Regulations 2024](#) .

# Payday superannuation

The government announced changes to superannuation guarantee from 1 July 2026.

**Last updated** 14 January 2026

On 2 May 2023 the Australian Government announced that from 1 July 2026, employers will be required to pay their employees' superannuation guarantee (SG) at the same time as their salary and wages.

The [Treasury Laws Amendment \(Payday Superannuation\) Act 2025](#) and the [Superannuation Guarantee Charge Amendment Act 2025](#) were passed by Parliament and this measure is now law.

Further changes to support Payday Super in [Treasury Laws Amendment \(Supporting Choice in Superannuation and Other Measures\) Bill 2025](#) are currently before parliament or will be progressed through regulations.

## More information

- The Hon Dr Jim Chalmers MP joint media release [New legislation passes to ensure super is paid on time](#), 4 November 2025.
- The Hon Stephen Jones MP joint media release [Introducing payday superannuation](#), 2 May 2023.
- The Hon Jim Chalmers MP joint media release [Payday superannuation design details to ensure superannuation is paid on time](#), 18 September 2024.
- The Hon Stephen Jones MP media release [Consulting on payday superannuation draft legislation](#), 14 March 2025.
- [Exposure draft law and explanatory materials](#). Consultation closed on 11 April 2025.
- [Treasury Laws Amendment \(Payday Superannuation\) Act 2025](#).
- [Superannuation Guarantee Charge Amendment Act 2025](#).
- [PCG 2026/1 Payday Super – first year ATO compliance approach](#). Finalised on 28 January 2026.

- For more information, see Payday Super.

QC 72411

## Superannuation on Parental Leave Pay

New legislation where the government will pay super guarantee equivalent payments on government funded Parental Leave Pay.

**Last updated** 15 October 2024

On Thursday, 7 March 2024, the government announced, alongside the release of the Working for Women strategy, that from 1 July 2025 it will pay superannuation on government funded Parental Leave Pay which will be administered by the ATO. This measure is now law.

Under the new law eligible parents with babies born or adopted on or after 1 July 2025 will receive an additional contribution, based on the Superannuation Guarantee (12% of their Parental Leave Pay) to their nominated superannuation fund. The lump sum superannuation contribution, including an interest component, will be paid following the end of each financial year in which government funded Parental Leave Pay was paid.

The ATO will make the first payments from July 2026.

Eligible parents will continue to apply for Parental Leave Pay through Services Australia who are responsible for assessing eligibility for the payment and superannuation contribution.

For more information, see:

- [Paid Parental Leave Amendment \(Adding Superannuation for a More Secure Retirement\) Act 2024 ↗](#)
- [Parental Leave Pay for a child born or adopted from 1 July 2023 - Services Australia ↗](#)
- [Changes if you get family payments - Parental Leave Pay for a child born or adopted from 1 July 2023 - Services Australia ↗](#)

- [Paid Parental Leave scheme for employers - Services Australia ↗](#)
- [Super boost for new parents ↗](#)

QC 101272

## Low Income Superannuation Tax Offset (LISTO)

From 1 July 2027 the government is boosting LISTO by increasing the income threshold and payment cap.

**Last updated** 13 October 2025

On 13 October 2025, the Australian Government announced from 1 July 2027 the Low Income Superannuation Tax Offset (LISTO) income threshold will increase from \$37,000 to \$45,000 to match the top of the second income tax bracket. The maximum payment will also increase to \$810 to account for recent increases in the Superannuation Guarantee rate.

This measure is not yet law.

## More information

- [Low Income Superannuation Tax Offset \(LISTO\) ↗](#)
- [Reforms to support low-income workers and build a stronger super system ↗](#)
- Low income super tax offset

QC 105616

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