When to pay contractors super under Payday Super

Find out what Payday Super means when you're engaging with independent contractors.

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With Payday Super approaching fast, now’s the time to look at how you pay super for independent contractors.

While Payday Super doesn't change who's eligible for super as the existing rules on eligibility remain the same, what does change is when you must pay super.

If you’re currently required to pay super for an independent contractor, you’ll continue to do so under Payday Super.

Understanding when super applies

Some independent contractors are treated as employees for super purposes under what’s known as the extended definition of employee.

You’ll generally need to pay super for a contractor if they’re paid mainly for their labour. This can apply even if they:

- have an ABN
- invoice you for their work
- are described as a contractor in a written agreement.

If you're paying a contractor primarily for their personal effort, skills or time, rather than to deliver a specific result, super is likely required.

These rules currently apply and aren't changing under Payday Super.

Timing of super payments

There’s no separate timing or special treatment for independent contractors.

If you're required to pay super for an independent contractor now, you’ll continue to do so from 1 July 2026. From that date, super for eligible independent contractors must both:

- be paid for each payday
- reach the super fund within 7 business days after payday.

If paying them by invoice, the payday is the date the invoice is paid. This means super must reach the fund within 7 business days of paying the invoice.

Reporting for contractors

If you’re not currently reporting for contractors in single touch payroll (STP), you don't need to change this under Payday Super.

However, if you do report contractors under STP, you'll need to ensure that you report both qualifying earnings and super liability for them from 1 July 2026.

Act now by reviewing your contractor arrangements and super payment processes and confirm those who are eligible for super.

Visit Payday Super to find out more.

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