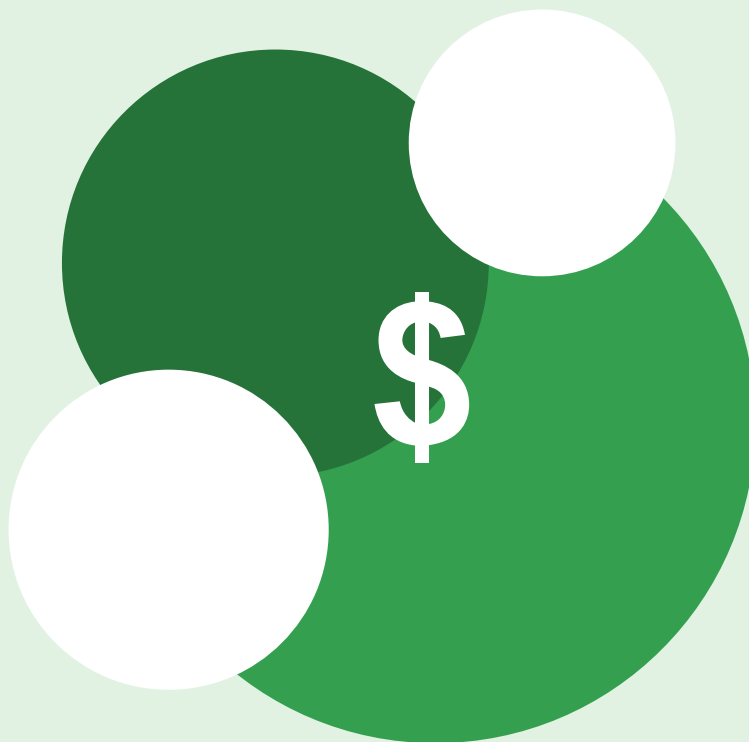


E-GUIDE

Payday super

From 1 July 2026



A clear, Australian-focused guide for employers on the move from quarterly super to payday super — what changes, the 7-day rule, and how to get ready.

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What is payday super

Payday super is a change to when employers must pay superannuation. From 1 July 2026, super guarantee (SG) contributions must be paid for each payday, rather than at least quarterly. The reform aligns super payments with the regular pay cycle so employees see their super build with every pay.

Under the current rules, employers are required to pay SG contributions at least quarterly. Payday super replaces that quarterly cycle with a per-payday obligation, so super is contributed at the same time wages are paid.

Importantly, the super guarantee rate itself does not change with this reform. The SG rate remains 12%. What changes is the timing of payments and the earnings basis used to calculate them.

For employers, the practical effect is that super becomes a regular, recurring part of every pay run — not a separate task managed once each quarter. This guide explains what changes, the deadline for contributions to be received, how super is calculated, and the steps to be ready.

What changes on 1 July 2026

From 1 July 2026, the way and when you pay super changes. The headline shifts are:



Quarterly super ends

The quarterly SG payment cycle is replaced.



Super is paid each payday

SG contributions are made for every pay run.



A 7-business-day deadline applies

Contributions must be received by the fund within 7 business days of payday.



Earnings basis changes

Super is calculated on qualifying earnings.

What stays the same

The SG rate remains 12%. This reform changes the timing and the earnings basis — not the headline rate of super you contribute.

The single date to plan around is 1 July 2026. Systems and processes should be ready before then.

The 7-day rule

Payday super introduces a hard deadline for when super contributions must arrive at the fund.

7 business days

SG contributions must be RECEIVED by the employee's super fund within 7 business days of payday.

Received — not just sent

The deadline is about when money lands in the fund, not when you initiate payment. Clearing house and bank processing times eat into the 7 business days, so payments should be started early enough for the fund to receive them in time.

What this means in practice:

- ✓ Super must be processed as part of each pay run
- ✓ Allow time for clearing house and fund processing
- ✓ Build the 7-day deadline into your payroll calendar

Why it matters

Missing the 7-business-day window means the contribution is late — which triggers the Super Guarantee Charge (covered later in this guide).

Qualifying earnings

Alongside the timing change, payday super changes the earnings basis used to calculate super.

Super is calculated on qualifying earnings

Under payday super, SG is calculated on an employee's qualifying earnings. Qualifying earnings bring together ordinary time earnings and certain other payments into a single basis for working out super for each pay.

Why the basis matters:



It defines the amount super is calculated on each payday



It combines ordinary time earnings with certain other payments



Payroll must apply the correct basis to each pay component

Action for employers

Confirm your payroll software calculates super on qualifying earnings correctly under the new rules before 1 July 2026.

Getting the earnings basis right is essential to paying the correct amount of super each payday.

The clearing house is closing

The ATO's Small Business Superannuation Clearing House (SBSCH) is closing. Employers who rely on it need to move to a SuperStream-compliant solution.

What is the SBSCH?

The Small Business Superannuation Clearing House is a free ATO service that lets small businesses pay super contributions in one transaction, distributed to employees' funds. With its closure, employers must use an alternative SuperStream-compliant method.

What employers need to do:

1

Stop relying on the SBSCH

Plan your transition off the clearing house.

2

Choose a SuperStream-compliant solution

Move to payroll or super software that meets SuperStream.

3

Test it before 1 July 2026

Make sure contributions process and arrive on time.

Do not leave this to the last minute

Transitioning off the SBSCH and validating a new solution takes time. Start early so payments are ready for the first payday under the new rules.

Cash-flow impact

Paying super every pay cycle instead of quarterly changes the rhythm of money leaving your business.

Before

Super accumulated and left the business account quarterly, in larger lump sums.

From 1 July 2026

Super leaves the business account every pay cycle, in smaller, more frequent amounts.

Plan ahead for the change:



Review cash flow with super leaving every pay cycle, not quarterly



Update cash-flow forecasts to reflect more frequent outflows



Ensure funds are available for super on each payday

Key takeaway

The total amount of super is unchanged, but its timing is. Smaller, regular outflows replace the quarterly lump sum, so forecasting matters.

Penalties: the Super Guarantee Charge

Late or missed super contributions trigger the Super Guarantee Charge (SGC). Under payday super, the SGC applies when contributions are not received within the 7-business-day window.



Triggered by late or missed contributions

If SG is not received in time, the SGC applies.



Not tax-deductible

Unlike normal SG contributions, the SGC cannot be claimed as a tax deduction.



Includes interest

The charge includes an interest component on top of the shortfall.

Why the SGC is costly

Because the SGC is not tax-deductible and includes interest, a late payment costs more than paying the super on time would have. With per-payday deadlines, there are more opportunities to fall late if processes are not tight.

The best defence is on-time payment

Reliable, automated super processing that meets the 7-day rule is the simplest way to avoid the SGC.

Readiness checklist

Use this checklist to prepare your business before 1 July 2026.



Confirm payroll software is payday-super ready

Verify with your provider before 30 June 2026.



Transition off the SBSCH

Move to a SuperStream-compliant solution.



Review cash flow

Super now leaves the account every pay cycle, not quarterly.



Verify STP Phase 2 configuration

Make sure Single Touch Payroll Phase 2 is set up correctly.



Update onboarding

Capture new starters' fund details promptly.

Work through each item early. Confirming readiness before 30 June 2026 avoids a scramble at the first payday under the new rules.

Disclaimer & next steps

Important

This guide provides general information only. It is not financial, tax or legal advice. Payday super obligations can be detailed and may depend on your circumstances, so always confirm your obligations against current ATO guidance before acting.

Quick recap

- ✓ Payday super starts 1 July 2026 — quarterly super ends
- ✓ SG must be received by the fund within 7 business days of payday
- ✓ The SG rate remains 12%; only timing and earnings basis change
- ✓ The SBSCH is closing — move to a SuperStream-compliant solution
- ✓ Late contributions trigger the SGC, which is not tax-deductible

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