

TAX FACTSHEETPAYDAY SUPER**Key Points**

From 1 July 2026:

- All employers must pay superannuation contributions for their employees - and ensure contributions are received by employees' super funds - within seven (7) business days of each payday.
- The ATO's Small Business Super Clearing House will no longer be available to make super contributions.

**What Is Payday Super?**

Payday Super is a change to how employers in Australia calculate and pay their employees' super guarantee contributions.

From 1 July 2026 employers will be required to pay employees their super guarantee contributions on payday, at the same time as their wages.

**Who is covered?**

All employers and employees covered by SG rules, including workers captured by the extended definition of "employee" (e.g., certain contractors paid mainly for their labour).

**How much is the Super Guarantee (SG)?**

SG is calculated as 12% of qualifying earnings (QE).

**What are Qualifying Earnings (QE)?**

This is a new term that brings together ordinary time earnings (OTE) and other payments.

**Qualifying Earnings (QE) includes:**

1. Ordinary time earnings (OTE), i.e. payments for ordinary hours of work, including certain types of paid leave, allowances, bonuses and lump sum payments
2. All commissions paid to an employee
3. Salary sacrifice amounts that would qualify as QE had they not been sacrificed to superannuation
4. Earnings paid to workers who fall under the expanded definition of employee, including payments to independent contractors paid mainly for their labour.

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## How to work out OTE and QE

	Salary and wages	OTE	QE (from 1 July 2026)
Ordinary hours of work	Yes	Yes	Yes
Casual loading	Yes	Yes	Yes
Shift penalties (including public holiday penalties)	Yes	Yes	Yes
Overtime 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
Sick, personal and carers leave	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>			
Commission payments	Yes	Yes	Yes
Commission solely for work performed entirely outside ordinary hours	Yes	No	Yes

## What employers need to do

Plan ahead.

Review payroll systems, super guarantee processes, and be ready to pay super guarantee more frequently.

The ATO's Small Business Superannuation Clearing House (SBSCH) is no longer available for new users; existing users must transition to an alternative clearing house solution to pay employees' super.

If you are still using the ATO's SBSCH to process super payments you need to act now to download records, as access is closing permanently on 30 June 2026.

From 11:59 pm AEST on 30 June 2026 employers won't be able to log in to the SBSCH, submit payment instructions, or view any historical records.

## What is changing from 1 July 2026?

In more detail:

Topic	Now	Changes from 1 July 2026
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	Paid to an employee's super fund at the same time as paying qualifying earnings (QE) – ie on payday, to be received by the super fund within 7 business days.
Super guarantee contributions due date	<ul style="list-style-type: none"><li>• 28 October</li><li>• 28 January</li><li>• 28 April</li><li>• 28 July</li></ul>	Due within 7 business days of payday. Some exceptions may apply (eg for new employees).
Basis for super guarantee calculation	Super is calculated as 12% of ordinary time earnings (OTE).	Super guarantee is calculated as 12% of QE, which includes OTE and other payments.
Super guarantee charge (SGC)	<ul style="list-style-type: none"><li>• Applies when amounts aren't received by a super fund within 28 days of the end of a quarter.</li><li>• Is calculated based on salary and wages.</li><li>• Includes interest at 10% per annum.</li><li>• Includes a flat administration fee.</li></ul>	<ul style="list-style-type: none"><li>• 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 <i>Exception – first payment to a new fund/new employee: up to 20 business days after the relevant payday</i>)</li><li>• Is calculated based on QE.</li></ul>

	<ul style="list-style-type: none"> <li>• Is self-assessed and requires the lodgment of a SGC statement.</li> <li>• A tax deduction can't be claimed for the payment of SGC</li> </ul>	<ul style="list-style-type: none"> <li>• Includes interest that compounds daily at the general interest charge rate.</li> <li>• 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.</li> <li>• Is assessed by the ATO.</li> <li>• SGC is tax deductible.</li> </ul>
Penalties	Maximum of 200% of the SGC, which can be remitted in part or in full.	<ul style="list-style-type: none"> <li>• 25% or 50% of the unpaid SGC depending on any prior penalties.</li> </ul>
Single Touch Payroll (STP)	<ul style="list-style-type: none"> <li>• Report either OTE or super liability.</li> </ul>	<ul style="list-style-type: none"> <li>• Report both QE and super liability.</li> </ul>

## Employer checklist

As a guide to help ensure you are compliant under the new regime:

#	Checklist item	Description	Checked and Actioned	Notes
1.	Software compatibility	Confirm software readiness (payroll/STP and clearing arrangements) for QE + SG liability each pay; confirm end-to-end processing times so funds receive contributions within 7 business days	[.....]	
2.	Check database is up to date	Clean your data (member numbers, USIs, stapled fund details) to avoid rejections—errors can cause a payment to be late.	[.....]	
3.	Download SBSCH data (if used currently)	Act now to download records, as the SBSCH is closing permanently on 1 July 2026.	[.....]	
4.	Cashflow management	Map cash-flow impact of moving from quarterly to pay-cycle SG payments	[.....]	
5.	Alternative software/ payroll providers	Plan SBSCH exit (if applicable) and select an alternative clearing service ahead of 1 July 2026.	[.....]	
6.	Brief your team	Make aware of payroll/HR/approvers) on deadlines, QE, STP reporting and exception handling.	[.....]	

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