

Payday Super What success looks like

Payday Super is now law

The Treasury Laws Amendment (Payday Superannuation) Bill 2025 and the Superannuation Guarantee Charge Amendment Bill 2025 are now law.

When does Payday Super start?

Starting 1 July 2026, Employers and Superannuation Funds will have new obligations for remitting super (employers) and processing super (funds).

Key changes for Employers

New Terminology:

Qualifying Earnings (QE): The basis for super calculation, including an employee's ordinary time earnings (OTE), salary sacrifice contributions, and other amounts for Superannuation Guarantee (SG) purposes.

QE Day: The day you pay an employee their Qualifying Earnings — essentially, payday.

New Employer Obligations:

Calculate and Report QE: With every pay run, employers must calculate and report the "Qualifying Earnings" for each employee in your Single Touch Payroll (STP) report.

Pay Super Earlier: Employers must ensure that the full SG contribution for each employee is received by their super fund within 7 business days after the QE Day (Payday).

An "extended usual period" of 20 business days is available in specific situations, such as for a new employee's first payment or the first payment to a new fund for an existing employee.

Individual SG Liability: On each QE Day, employers will have a Superannuation Guarantee liability for each employee, equal to 12% of the Qualifying Earnings paid to them on that day.

Meeting the SG Deadline: ATO encourages employers to begin paying super on payday and not to wait until the 1 July 2026 deadline to implement this. SuperChoice already processes contributions from employers who pay per payday, so subject to cashflow and your internal processes, you can make the change now if you want to start earlier.

If you can remit super on QE Day and your employees' data matches the funds' records, you can meet the deadline with your current payment method. If not, consider reviewing your internal onboarding and payroll.

The updated legislation also allows for making payments using the New Payments Platform — there is no obligation to do so, but the new law clears the way so that from 1 July 2026 super funds must accept and process contributions paid via this method. SuperChoice will continue to provide payment options to suit your circumstances.

A new facility recommended for employers is the Member Verification Request message, which will check whether an employee's chosen fund will in fact accept contributions for them. There are rules around when you can use that.



What to expect from Super Funds

Refund Management: Unless your employees’ data matches the funds’ records, refunds are likely to become more common under payday, as funds will have only 3 business days to verify information. Super funds must comply with new specifications for providing clear information to an employer when issuing refunds.

Preventing refunds: To avoid refunds, verify that your employee super fund data is correct. Ensure your HR/Payroll solution can automatically trigger a Member Verification Request.

Correcting Payments: If a refund occurs and you need to resubmit the payment with corrected employee data to the same fund; you must do so within the original 7 business day window after the QE Day. If the refund results in a payment to a different fund the “extended usual period” of 20 business days from the QE Day applies.

Super Guarantee Charge (SGC) Changes

If an employee’s SG amount is not paid in full within the required timeframe, you will be liable for the Super Guarantee Charge (SGC). It is crucial to meet these new payment deadlines to avoid penalties.

ATO has drafted a Practical Compliance Guideline [PCG 2025/D5](#), which sets out the ATO’s proposed compliance approach for the first year of payday super law (if enacted as introduced) in respect of investigating a superannuation guarantee shortfall for a QE Day that occurs from 1 July 2026 to 30 June 2027 inclusive.

Current SGC Components	Proposed SGC Components after Payday Super
• The SG Shortfall • The nominal interest component • The administration fee – a fee of \$20 per employee per quarter	• The SG shortfall • Interest on SG shortfall calculated using the General Interest Charge (GIC) • An additional charge to reflect the cost of enforcement, up to 60% of the SG shortfall component. This will be reduced when employers take action to voluntarily disclose when they have failed to pay contributions in full and on time • Choice Loading: a penalty if you do not comply with the choice of fund rules • Once SGC is assessed, additional interest and penalties may apply if the SGC liability is not paid in full • General interest charge (GIC): GIC will accrue on the entire SGC amount rather than just the total of the individual SG shortfall amounts. • Late payment penalty: If SGC remains unpaid 28 days after it is assessed, the ATO will be required to issue an employer a notice to pay. If the employer does not pay the SGC included in a notice to pay within a further 28-day period set out in the notice, they will be liable to a late payment penalty. • The updated SGC will be tax-deductible



Payday Super

Practical Preparation Tips for a smooth Transition

The Goal: Timely and Accurate Payments

Achieving success with Payday Super means submitting and paying contributions on time and avoiding unnecessary refunds. That means no SG Charge.

What Employer success looks like

The primary cause of refunds and missed deadlines is incorrect employee super fund data. Maintaining accurate and up-to-date information is essential for compliance.

- Digitise your employee onboarding process and use solutions that ensure super fund details are validated, accurate, and up-to-date. Auto Trigger the Member Verification Request.
- Reuse much of your employee data from Single Touch Payroll for Payday Super
- Lodge superannuation files and make super payments on payday
- Choose solutions that provide clear visibility into the actions you've taken for your employees

Start Planning Early:

Speak to your payroll providers, establish strong governance, and prepare your team to adapt. Early preparation will help you take advantage of the new regime's incentives and avoid unnecessary penalties.

Now is the time to review your payroll process and talk to your payroll provider about what changes might be needed. Subject to cashflow and your internal payroll processes, you can make the change now if you want to start earlier.

Review Onboarding and Payroll Processes:

Ensure your payroll, finance systems and processes can support frequent super calculations and payments.

- Encourage employees to notify you promptly of any changes to their fund choice
- Communicate with employees the importance of making sure that the details they provide you are complete and correct. APRA funds generally provide their members with a prepopulated choice form to simplify the process.
- Always make sure the contribution data and the payment amount are equal – discrepancies cause delays.
- When you do encounter validation issues or refunds, make sure you make corrections in your payroll system, so that future submissions are accurate, saving you time each payday



How can SuperChoice help

SuperChoice already processes contributions from employers who pay per payday, so we're ready to support you now. Here's how we can make the transition smoother:

We help you ensure that your submissions are safe, correct and timely.

- Super Selector validates whether a chosen Fund is open for contributions
- Best-in-class data quality validations on every employee super record
- SuperChoice Protect guards against fraud attempts such as compromised bank accounts and credentials
- SuperChoice ensures that Refund details are available to employers

Member Verification Request:

This new 'pre-contribution' SuperStream message will improve data quality by verifying whether employees' contributions will be accepted by their chosen funds – APRA funds and SMSFs.

It should be initiated as soon as a new employee selects a fund, or an existing employee changes their fund. SuperChoice's technology enables Payroll/HR and Onboarding platforms to trigger a Member Verification message to the selected fund.

Go Digital - Automate Employee Onboarding and Super Selection:

Moving away from manual and paper-based processes speeds things up and allows rapid "Member Verification" to occur. SuperChoice provides Onboarding and Super Selector tools that verify "as you go" whether an employee's chosen fund can receive contributions. These tools can be used standalone or be hooked into your existing HR/Payroll provider's solution – and will trigger the Member Verification Request message as soon as the fund choice is confirmed.

Accurate and Validated Payments:

SuperChoice provides strong quality and fraud controls to safeguard employers' transactions and employees' super. You can continue to pay the way you do now as these payment methods will continue to be supported in Payday Super.

Payday Super will also allow payments via NPP (New Payments Platform) in addition to the existing payment methods.

Paying correctly, and at the same time you submit your contribution data is essential to avoid processing delays. The ATO recommends paying the superannuation guarantee (SG) at the same time as salary and wages to give yourself the maximum amount of time to comply with the timeframes imposed.

Consistent Fund Error Messages:

All funds will be required to adopt a new standard specification for error and refund messages, providing employers greater clarity on the call to action. SuperChoice will ensure that funds send the new details correctly and that employers can access the information they need.

Fund Validation Service:

Access an up-to-date ATO register of APRA funds to confirm whether they accept contributions. SuperChoice will make that easily accessible and easy to understand.