

Payday Super Employer FAQs



Current as at March 2026

Can I start paying super on payday now?

Yes. You can start paying super each pay cycle now, even before Payday Super starts on 1 July 2026. Paying more frequently can be a good way to get your payroll processes ready for the change.

Do employers need to pay super on the exact payday?

In most cases, yes. Payday Super means paying super each pay cycle.

There can be limited exceptions and processing delays, but the key requirement is that the super fund receives the payment within 7 business days of payday.

When does the 7-business-day time frame start?

It starts from the employee's payday. Contributions must be received by the super fund within 7 business days of payday.

Does the 7-business-day rule include clearing house processing time?

Yes. If you use a clearing house, allow time for their processing within the 7-business-day window.

Are there any exceptions to the 7-business-day rule?

Yes. Extended time frames apply in certain situations, such as the first payment for a new employee or the first payment to a new fund.

What happens if super is late or not paid in full?

The Superannuation Guarantee Charge (SGC) and other financial penalties may apply.

Are the SGC rules changing under Payday Super?

From 1 July 2026, if superannuation guarantee (SG) contributions aren't paid in full and on time, employers may be charged interest and penalties.

Extra charges and fees may also apply if super entitlements aren't paid within 28 days of receiving a notice from the ATO.

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? What are the consequences of paying super late and how can we reduce penalties if we make a mistake?

If super is paid late or underpaid, you may need to lodge and pay the Super Guarantee Charge (SGC).

Under Payday Super, the SGC includes the unpaid super (shortfall), notional earnings (interest), and an administrative uplift of up to 60%.

The uplift is reduced if:

- a clean recent history: you have had no ATO-initiated SG charge assessment or estimate in the prior 24 months
- early self-reporting: you make a voluntary disclosure before the ATO assesses you. The earlier you disclose (within 30, 60, or 120 days), the bigger the reduction.

? What if our payroll or clearing house is not ready for MVR by 1 July 2026?

You can continue to pay super using your current processes. Member Verification Request (MVR) is a new SuperStream feature designed to verify an employee's fund details before the first payment is made.

The ATO recognises that not every system will have MVR capability on day one. The mandate for using MVR will effectively kick in by March 2027 when all funds and providers are up to speed.

Many payroll providers, clearing houses and super funds (including us) are scheduled to implement MVR during the second half of 2026.

What this means for you:

- **Continue current processes (for now):** If your payroll software or clearing house is not yet MVR-ready by 1 July 2026, you can continue using your existing SuperStream setup to make super contributions, provided you meet the new Payday Super timing requirements.
- **Meet new payment deadlines:** From 1 July 2026, all super contributions must be received by the employee's super fund within 7 business days of each payday. This applies regardless of whether you are using MVR.
- **Prepare for MVR adoption:** While MVR is not mandatory until March 2027, it is strongly recommended that you begin preparing now. Check with your payroll provider or clearing house to find out when MVR functionality will be available and plan for implementation in the second half of 2026.
- **New employees and fund changes:** For new employees or when an employee changes their fund, continue to request stapled fund details from the ATO if no fund is provided. Once MVR is implemented in your systems, you will be required to verify fund details before making the first contribution.
- **Avoid contribution errors:** Without MVR, there is a higher risk of rejected contributions due to incorrect fund details. Ensure employee data is accurate and up to date to avoid delays and potential penalties.
- **Stay informed:** Monitor updates from the ATO, your payroll software provider, and your clearing house to ensure you are ready for the full rollout of SuperStream v3 and MVR by early 2027.

? Who does Payday Super apply to?

Payday Super affects employers who pay SG for employees. Most members won't need to do anything – they'll simply see contributions arriving more often.

? Is the SG rate changing?

No. The SG rate is not changing as part of Payday Super.

? Is eligibility changing?

No. Eligibility for super contributions is not affected by this change.

? Will members see a contribution on the same day as payday?

Not always. Processing times can vary. What matters is when the super fund receives the payment.

? How can an employer confirm the payment has been received?

Check your payment confirmation from your clearing house/provider and allow for processing time. If you need help confirming timing, call our Employer Services team.

? What if payday is on a weekend or public holiday?

The rule is based on business days. If your payday falls on or around non-business days, plan ahead so the fund can still receive the contribution within the required time frame.

? What are qualifying earnings?

Qualifying earnings (QE) are the amounts used to work out how much super an employer needs to contribute for each pay cycle under Payday Super.

Put simply, it's the wages paid to an employee for that pay run that count towards super.

Qualifying earnings generally include:

- Ordinary Time Earnings (OTE), such as regular hours worked
- Salary sacrifice amounts that count towards super
- Other payments that are already treated as earnings for super purposes

Most payroll systems calculate this automatically. If you're unsure what is included for your employees, your payroll provider or accountant can confirm.

? I use the ATO Small Business Superannuation Clearing House (SBSCH). What do I need to know?

The ATO's SBSCH will close on 1 July 2026. You can continue using it until 30 June 2026, but you'll need to move to another SuperStream-compliant way to pay super so contributions can continue on time.

You may choose to use your payroll software's built-in super payment feature or a clearing house, including First Super's clearing house.

It's a good idea to set up your new service before the SBSCH closes so you're ready to make your first payment from 1 July 2026.

For the latest updates, see the ATO's guidance on transitioning from the SBSCH.

? Does paying super each pay cycle increase the risk of going over contribution caps?

For most people, no. Caps don't change and paying super more often doesn't multiply them.

However, contributions generally count towards caps in the year your fund receives them, so timing around 30 June may affect some people who are close to their caps.

? Where can I find the latest official information?

For the latest information, visit ato.gov.au and search for 'Payday Super'.

We're here to help

If you'd like, we can talk through your timing and options. Contact our Employer Services team on **1300 943 171** or email employers@firstsuper.com.au.

For more information about Payday Super, visit firstsuper.com.au/payday-super or **scan the QR code**.

