PAYDAY SUPER *Webinar*

WHAT YOU NEED TO KNOW

This webinar provies a clear, practical overview of:

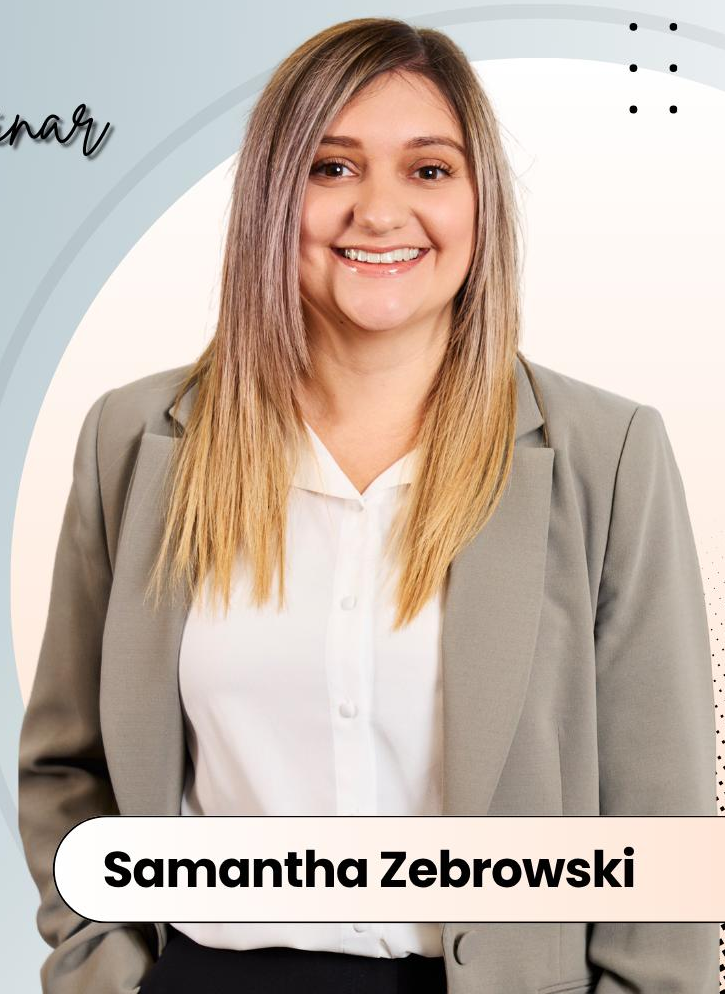
- What's changing under the new rules
- How qualifying earnings will work
- Steps you can take now to prepare
- Tips for managing cash flow and compliance

Welcome

NORTHLink
Networking for Economic Development

MELBOURNE'S NORTH ADVANCED MANUFACTURING GROUP
incl. Assistive Technology Cluster

WilliamBuck



Samantha Zebrowski

MNMAG

Sue Logan

Manager
Melbourne's North Advanced Manufacturing Group
NORTH Link

s.logan@latrobe.edu.au

Let's Connect!
Contact Details

SCAN ME

NORTH Link
Networking for Economic Development

MELBOURNE'S NORTH ADVANCED MANUFACTURING GROUP
inc. Assistive Technology Cluster

WilliamBuck

Acknowledgement of Country

NORTH Link acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners of the land on which we work. We pay our respects to their Elders past, present and emerging, and we recognise their rich heritage and continuing connection to land, waters and culture.

NORTH Link
Networking for Economic Development

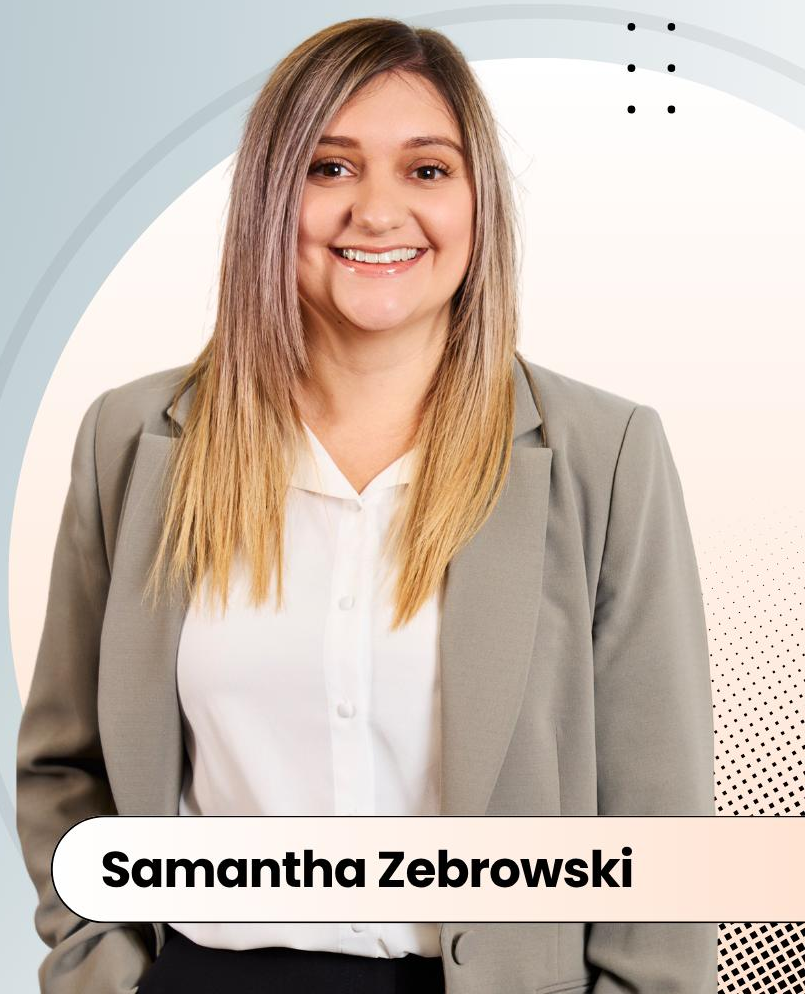
MELBOURNE'S NORTH ADVANCED MANUFACTURING GROUP
inc. Assistive Technology Cluster

WilliamBuck

Samatha Zebrowski, a Principal, Business Advisory at Willam Buck works with a diverse portfolio of clients, including SMEs and large corporates. She is valued for her ability to translate complex issues into clear, actionable insights and her focus on what matters most helps clients move forward with clarity and purpose.

Known for her genuine and approachable style, she ensures clients feel supported and confident as they navigate both day-to-day decisions and long-term planning.

She is energised by the innovation and resilience of the manufacturing sector and is committed to helping these businesses strengthen their operations, meet regulatory requirements and plan sustainably for the future.



Samantha Zebrowski

William Buck

Payday Super

Upcoming Changes Effective 1 July 2026

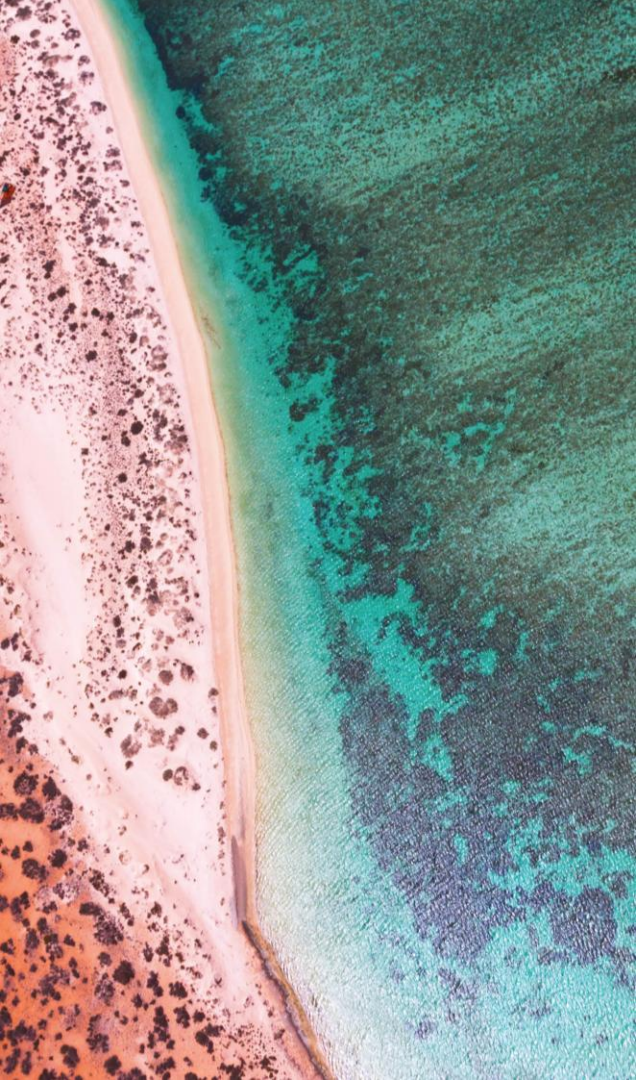
Samantha Zebrowski, Principal, Business Advisory

WilliamBuck

27 March 2026

Disclaimer

The information in this presentation is general in nature and has not been prepared for any one individual or organisation. The information should not be used or treated as professional advice and viewers should make their own enquiries and seek professional advice concerning their own personal circumstances before utilising any information provided in this presentation. All examples provided are for demonstration purposes only.



Agenda

- What is Payday Super and why is it changing?
- What changes for employers (timing, systems, cashflow)
- Consequences of late payment
- Opportunities
- Common pitfalls
- Planning ahead
- Q&A

WilliamBuck

Why are the super rules changing?

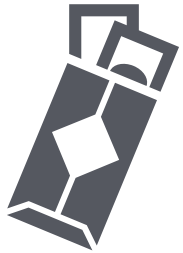
Key takeaways:

- Help reduce unpaid and late super payments
- Improve retirement outcomes by receiving super earlier
- Strengthen enforcement through faster visibility of non-payment
- Advance compliance to match single touch payroll and real-time payroll systems
- More significant penalties for ongoing and repeated non – payment of super guarantee (SG) charges

WilliamBuck

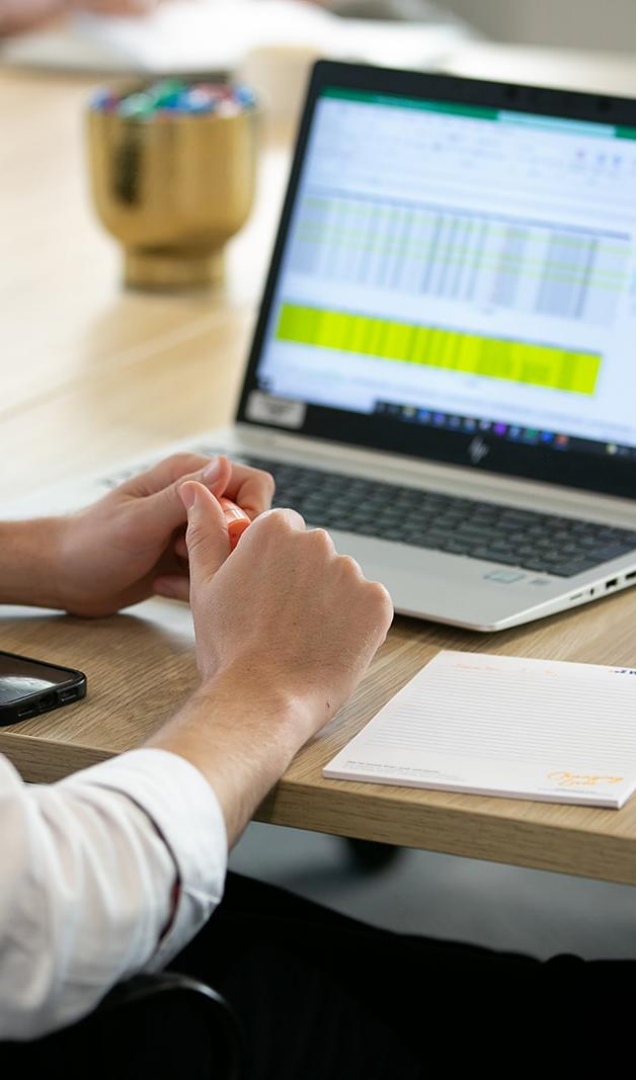
What is Payday Super?

Super contributions move from quarterly payment obligation to pay-cycle timing when wages are paid



Goal: Align super payments with wages being paid (near real-time)

Increases the importance of payroll accuracy and process discipline

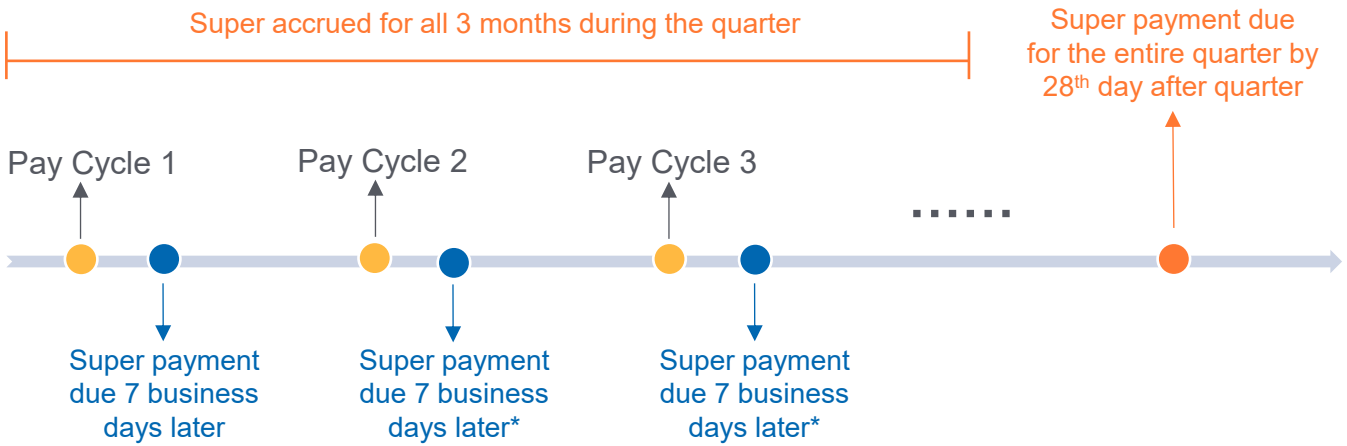


Super payment deadlines

- Payments generally need to be **received by employees' funds** within **7 business days** of paying wages or other payments
- Payment processing platforms will allow for real-time payments to be facilitated
- New employees or a new complying super fund for existing employees - first payment required within **20 business days**
- Out-of-cycle payments eligible for super (such as bonus payments), are due within **7 business days** of the next regular payday

Overview before and after changes for a quarter

Before changes



After changes

*Due date for payment can be extended in some instances

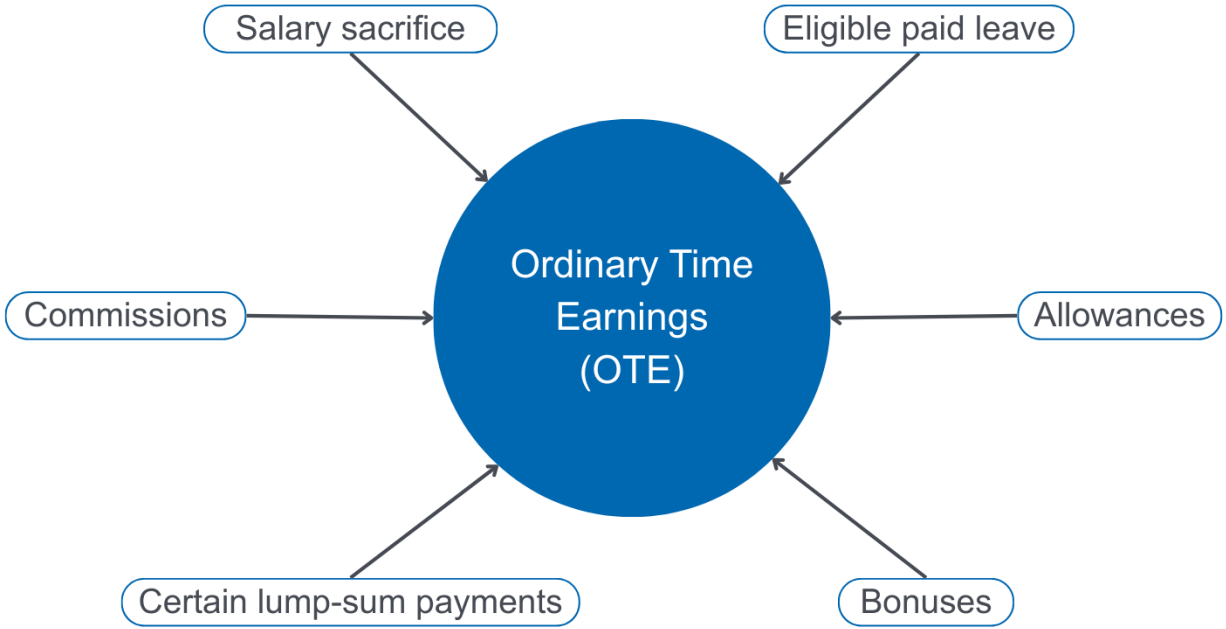
WilliamBuck

What's changing for super obligations

- Super obligations are based on qualifying earnings
- Deadline for payment due promptly after payday
- Late payments and penalties
- Small business superannuation clearing house
- Maximum contribution base
- Reporting requirements

Change: qualifying earnings

- Employers will now use qualifying earnings (QE) as the basis for calculating both Super Guarantee (SG) contributions and the Super Guarantee Charge (SGC)
- Most employers will see no change in the amount of super to pay
- Qualifying earnings does not include overtime payments
- Qualifying earnings consist of:



WilliamBuck

Contractor considerations

- Expanded definition of "employee" for SGC purposes includes:
  - Directors
  - People who work under contract that is wholly or principally for their labour
  - People paid to perform, present or participate in artistic or sport activities or provide services in connection with those activities
- Employee does NOT include contractors that are a company, trust, or partnership – opportunity to require contractors to trade through related entities

- Focus area for the ATO – strong data matching to crack down on it
- Reminder to consider contractor arrangements to determine if SGC needs to be paid
- Opportunity to bring contractors into payroll now to avoid headaches in the future

Systems and data matching

SuperStream data will have new reporting requirements as a result of SameDay super changes. Employers will be required to report in Single Touch Payroll (STP) both the QE and the super liability for an employee.

This will allow the ATO to data match expected super payments against actual payments being received by funds.

WilliamBuck

Late payments and penalties – current law

Payments made late can trigger Superannuation Guarantee Charge (SGC)

— SGC calculation - current law

The total of your individual SG shortfalls	+	Nominal interest component calculated for the quarter	+	Any administrative fees
Any SG contributions not paid by 28 days after each quarter. This amount can be reduced by any payments are made before the SGC form is lodge with ATO		Interest is applied to any SG contribution shortfall for the period from the end of quarter until the date of which the SGC is processed by ATO		Fixed $20 penalty charge for each employee that has a shortfall for the quarter

Late payments and penalties – new law

Payments made late can trigger Superannuation Guarantee Charge (SGC)

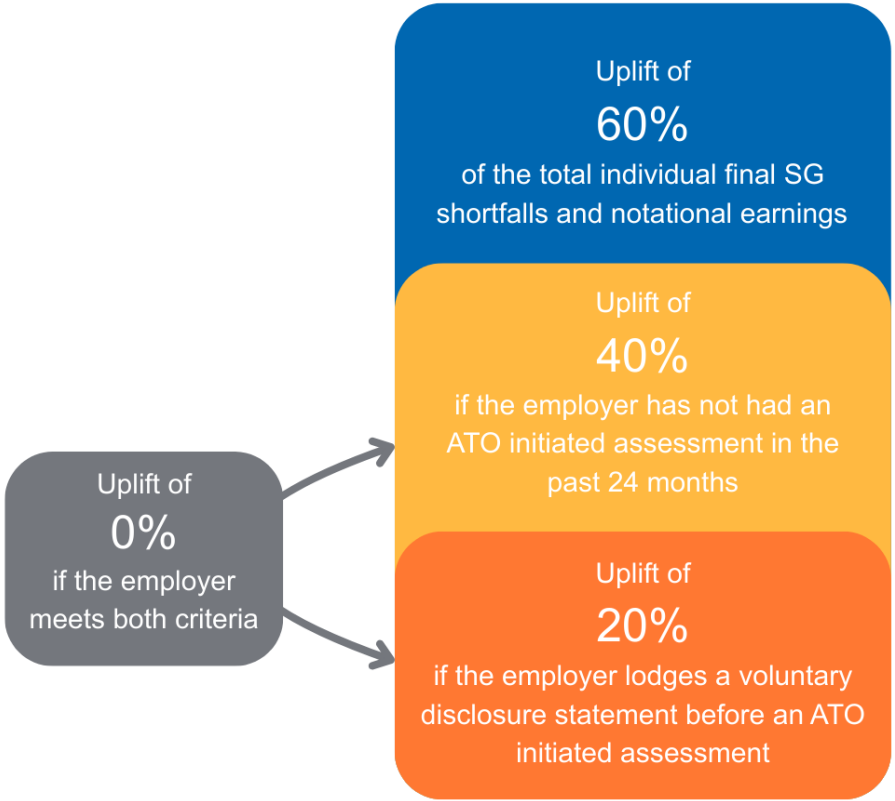
— SGC calculation - new law as of 1st July 2026

The total of your individual SG shortfalls	+	The sum of all individual notional earnings components for the QE day	+	Any administrative uplift amount	+	Choice loadings (if any)
Any SG for a particular qualifying earnings day not paid within 7 days (or extended due date) less any late payments made before SGC assessment		Interest applied to SG shortfall until the date the SG shortfall is paid or assessed		Penalty charge of up to 60% of the final SG shortfall		25% of any qualifying earnings contributions where the choice of fund rules are not followed capped to $1,200

Late payments and penalties

Administrative Uplift

- A 60% uplift is applied to the employee's SG shortfall and notional earnings as part of the initial SGC calculation
- The administrative uplift may be reduced under the regulations
- Uplift rates may fall between 60% - 0% depending on the employer's compliance behaviour



WilliamBuck

Late payments and penalties

Tax Deductibility

- From 1 July 2026, SGC payments will now be deductible. However, this does not extend to any:
  - General interest that accrues on any SGC payable
  - Penalty that may apply for failing to pay any SGC

- If SGC is not paid within 28 days of date of notice – liable to a penalty of either 25% or 50% of SGC amount, and this can not be remitted

WilliamBuck

Case Study: late payments and penalties

Individual final Super Guarantee (SG) shortfalls

- Example: Super paid on qualifying earnings (QE) after the due date
  - Harbourview Medical Centre pays wages to Sarah on 3 July 2026 on a Friday. Later the business pays $500 to Sarah's nominated super fund on 20 July 2026
  - Contribution of $500 due by 14 July 2026 (7 business days after the QE day of 3 July 2026 factoring in four weekend days) and no additional timeframe applied, the individual SG shortfall for this is $500
- Notional earnings are calculated by applying the general interest charge rate to the unpaid super amount until the shortfall is fully cleared
- In the above example, interest would apply between 14 July 2026 (when it was due) and 20 July 2026 (when it was paid). The estimated interest factoring in GIC of 10.65% for the six days would be approximately $1

Key considerations and opportunities

Cash Flow Considerations

- Less ability to hold super cash payments until quarter-end
- Earlier outflows = increased working capital planning
- April to June 2026 quarter will be due in July 2026, which may add cash flow pressure, given new rules start 1 July 2026

Cash Flow Opportunities

- Review payment terms of customer contracts
- Speaking with bank around Overdraft Facility

Pay Cycles

- Can you review how frequently you pay employees?
- Opportunity to review employment contracts

WilliamBuck

Change of pay cycle issues

- Opportunity to consider changing pay cycles (e.g. change from fortnightly to monthly)
- Issues to consider:
  - Terms of the employment contract
  - Terms of any employee award or enterprise agreement
  - Fair Work Act minimum requirements – must be at least monthly
  - Providing employees with sufficient notice of the change

New employees

— Extension to 20 business days to receive superannuation for new employees

Step 1:
Employers must provide employees with a choice of fund form

Step 2:
If the employer doesn't receive the choice of fund form from the employee – can request stapled super fund details from the ATO

Step 3:
If the ATO confirm there is no stapled super fund – pay the super into the employer choice super fund

— SuperStream revised to provide a new member verification request to allow employers to confirm superannuation funds can match employee contributions and will accept contributions

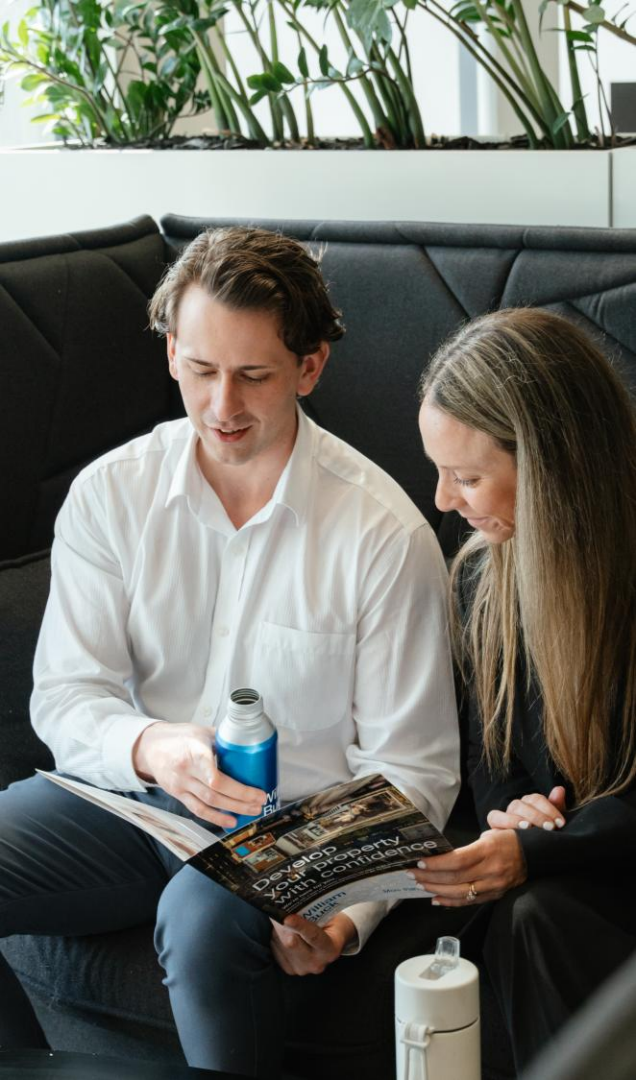
Superannuation for higher income earners

- Maximum Contribution Base (MCB) of $250,000 will apply from 1 July 2026

$$\text{MCB} = \frac{\text{Concessional Cap} \times 100}{\text{SG Charge\%}} \quad \text{e.g.} \quad \frac{\$30{,}000 \times 100}{12}$$

- Where employee is paid more than this in a year for their QE, an employer does not need to make any additional SG payments
- Employees with multiple employers likely to exceed the cap in a financial year can apply for a SG Shortfall Exemption Certificate
  - This certificate issued by the ATO to specific employers will provide protection where SG is not paid on wages
  - Needs to be applied for each financial year

WilliamBuck



Potential pitfalls

- Clearing house
  - A SuperStream compliant service that allows employers to pay all contributions in one single electronic payment
  - Processing times and cut-off times
  - Small Business Clearing House to cease 1 July 2026 (so will access to all historical data)
- Potential alternatives
  - Existing accounting software
  - External clearing house service
- Incorrect fund details (USI/member number), onboarding gaps
  - From 1 July 2026 you should be able to run a Member Verification Request to ensure details are valid
- Terminations and irregular pays (bonus/backpay)
- Adjustments and reversals creating mismatches
- Assuming software automatically ensures compliance
- Ignoring rejected contributions (silent failures)

WilliamBuck

Planning ahead

- Map out current processes to identify any changes needed
- Ensure software can report super obligations and facilitate payments on time
- Implement and enforce cut-off dates to capture all superannuation details of employees before the pay run - particularly for new employees
- Start transitioning to paying super on “payday” prior to the deadline of 1 July 2026
- Review employment contracts
- Ensure any contractor arrangements have been reviewed to determine if any SG applies
- Communicate with employees about changes and request they review superannuation fund details

WilliamBuck

Q&A

Samantha Zebrowski
Principal, Business Advisory
E: Samantha.Zebrowski@williambuck.com

William Buck is an association of firms, each trading under the name of William Buck across Australia and New Zealand with affiliated offices worldwide.
Liability limited by a scheme approved under Professional Standards Legislation.

Thank you

PAYDAY SUPER *Webinar*

WHAT YOU NEED TO KNOW

This webinar provies a clear, practical overview of:

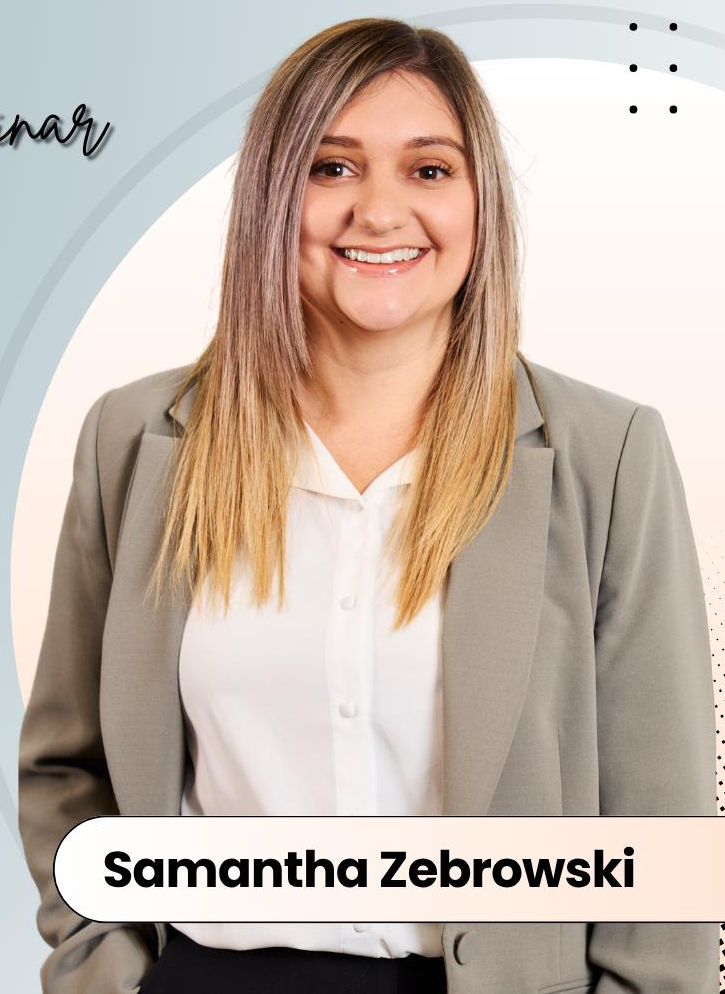
- What's changing under the new rules
- How qualifying earnings will work
- Steps you can take now to prepare
- Tips for managing cash flow and compliance

Thank You

NORTHLink
Networking for Economic Development

MELBOURNE'S NORTH ADVANCED MANUFACTURING GROUP
inc. Assistive Technology Cluster

WilliamBuck



Samantha Zebrowski