

Payday Super: A complete small business guide

Payday Super is coming on 1 July 2026. Learn how small businesses can stay compliant, manage cashflow, and simplify payroll with MYOB software.

05 March 2026

In this article

[Summary and key takeaways](#)

[What is Payday Super?](#)

[What is the Small Business Superannuation Clearing House \(SBSCH\)?](#)

[Why the change matters to small businesses](#)

[Key deadlines and compliance rules](#)

[Preparing with MYOB: Step by step](#)

[Common challenges for small businesses & MYOB solutions](#)

[Payday Super FAQs for small businesses](#)

[Case Study: A cafe using MYOB for Payday Super](#)

Summary and key takeaways

- Payday Super starts 1 July 2026
- All employers, including small businesses, must pay super at the same time as wages.
- Payday Super shifts super from a quarterly obligation to a payroll event.
- This increases frequency of payments and could strain cashflow if not planned for.
- Non-compliance triggers costly ATO penalties.
- MYOB automates Payday Super, saving time, helping with compliance, and allowing small businesses to focus on growth instead of admin.

Running a small business in Australia means juggling many responsibilities: [paying staff](#) on time, managing tax obligations, keeping the books balanced, and staying compliant with regulations that change often. One of the biggest upcoming changes for employers is the introduction of Payday Super.

From 1 July 2026, all employers will be required to pay [superannuation contributions](#) to employees' funds at the same time they pay wages or salaries. Generally, contributions will also need to reach employee super fund accounts within 7 business days.

In limited circumstances, such as when onboarding a new employee or when an employee chooses a new super fund, extended timeframes may apply while fund details are validated and established. Employers should still aim to process contributions as early as possible to avoid delays. Super funds will have reduced processing timeframes (from 20 days to 3 days).

For small business owners, this reform represents both a challenge and an opportunity. It means rethinking [payroll processes](#), preparing for more frequent cash outflows, and ensuring compliance with new legislation. But it also offers a chance to modernise your systems and give employees greater confidence in their retirement savings.

This expanded guide breaks down everything small businesses need to know about Payday Super: what it is, why it's happening, how it impacts small businesses, and most importantly, how MYOB's accounting and payroll software can help you stay compliant and reduce admin stress.

What is Payday Super?

Superannuation is a compulsory system in Australia where employers pay a percentage of employees' ordinary time earnings into a nominated super fund. At present, employers

are required to make these payments quarterly; many already pay alongside each pay cycle.

This will change from 1 July 2026. Under the new Payday Super rules, employers must pay super at the same time they pay wages or salaries. That means:

- If you pay weekly, super must be paid weekly.
- If you pay fortnightly, super must be paid fortnightly.
- If you pay monthly, super must be paid monthly.

Super contributions must also reach the employee's member super fund account within 7 business days of payment.

The purpose is to ensure employees receive their super contributions regularly and that employers cannot delay or miss payments without it being noticed quickly.

For small businesses, this means adjusting to more frequent superannuation payments. Without the right systems in place, this could double or triple the admin workload. With MYOB, however, these obligations can be met seamlessly as part of the payroll workflow.

What is the Small Business Superannuation Clearing House (SBSCH)?

[The SBSCH is a free online service](#) run by the ATO that lets small businesses pay super contributions for all their employees in one simple transaction.

As part of the Government's Payday Super reforms, the SBSCH will stop taking registrations for new users from 1 October 2025 and will close to all users from 1 July 2026.

The ATO is encouraging businesses currently using the SBSCH to transition directly after the final quarterly due date in April 2026 to avoid disruption.

If you currently use the SBSCH, you'll need to:

- Select a new way to pay super; ideally one that integrates with your payroll software
- Make sure the employee's super fund can receive contributions within 7 business days of payday

[Activate MYOB Pay Super](#) now to ensure you're ahead of the 1 July 2026 deadline.

Why the change matters to small businesses

The introduction of payday superannuation is part of the Federal Government's "Securing Australians' Superannuation" reforms. While the change benefits employees directly, it also creates new compliance requirements for small businesses.

Under Payday Super, super becomes part of each payroll event rather than a quarterly task. Businesses relying on manual payment processes may find this significantly increases workload and risk.

Here's why it matters:

Cashflow implications

- Instead of setting aside super contributions to pay quarterly, you'll need to ensure funds are available every pay cycle.
- For small businesses with tight margins, this requires careful planning and [forecasting](#).

Increased administrative work

- Paying super quarterly meant reconciling and reporting four times a year.
- Payday super increases that frequency significantly. For a business paying weekly, you'll now need to reconcile 52 times annually.

Compliance risks

- The ATO will be closely monitoring Payday Super compliance.
- Late or missed payments will trigger penalties, including the [Super Guarantee Charge \(SGC\)](#), which adds interest and admin fees. This charge has increased, and will increase further for repeat offenders.
- Keep an eye on updates, including the Practical Compliance Guideline (PCG), which will clarify how compliance will be managed in the first year of implementation.
- In the first 12 months of Payday Super, the ATO has indicated it will take a practical, education-focused approach to compliance, particularly where employers are making genuine efforts to meet the new requirements. While obligations still apply from 1

July 2026, businesses that are attempting to do the right thing and engaging early are less likely to face immediate enforcement action as the system beds in.

Employee expectations

- Employees will expect to see their super contributions hit their account within 7 business days of being paid.
- This transparency means small businesses need systems they can rely on.

How MYOB helps: MYOB Payroll helps streamline and automate super payments as part of your payroll workflow. This removes the risk of manual errors, ensures compliance, and gives employees peace of mind.

Key deadlines and compliance rules

Start date

- Payday superannuation begins on **1 July 2026**.

Who must comply

- All employers in Australia, including micro-businesses and sole traders who employ staff, must comply.

What compliance means

Standard payment timeframe:

From 1 July 2026:

- Super must be paid on or before payday
- Super must reach the employee's super fund within 7 business days

Extended timeframes

In certain situations, such as:

- New employees

- Employees who nominate a new super fund
- First-time contributions to a newly established fund

Additional processing time may apply while fund details are verified. However, employers remain responsible for ensuring payments are processed promptly and in line with ATO requirements.

- Automated super payments must be processed through SuperStream, the electronic system mandated by the ATO.

Penalties for non-compliance

- Employers who fail to pay super on time face the new Super Guarantee Charge (SGC). The SGC includes unpaid super, interest and administrative fees and is not tax deductible.
- Penalties increase for employers who repeatedly miss payment deadlines.

Reporting changes: STP and Qualifying Earnings (QE)

Payday Super does not replace Single Touch Payroll (STP) reporting. Employers must continue to report payroll information to the ATO through STP as usual.

However, reporting will shift from an Ordinary Time Earnings (OTE) basis to a Qualifying Earnings (QE) basis for super purposes.

Qualifying Earnings are broader than OTE and are designed to align super reporting more closely with actual super obligations under Payday Super.

Employers should review how their payroll system captures super-eligible earnings to ensure correct reporting under the QE framework.

For detailed guidance on Qualifying Earnings, refer to the ATO's explanation here:

<http://ato.gov.au/businesses-and-organisations/super-for-employers/payday-super/payday-super-resources/explaining-qualifying-earnings>

MYOB compliance support: MYOB's payroll software is ATO-approved and SuperStream-compliant. Contributions are paid electronically to each employee's nominated super fund. The software also generates reports you can provide to the ATO if ever audited, making compliance far easier.

Preparing with MYOB: Step by step

Small businesses don't need to wait until 2026 to prepare. The earlier you set up your systems, the smoother the transition will be. Here's a step-by-step plan, with MYOB solutions at every stage:

1. Review your payroll setup in MYOB

- Encouraging employees to verify their details — especially when starting or updating their fund — reduces the risk of delays once Payday Super begins.
- Confirm that employees eligible for super guarantee contributions are included.

2. Enable MYOB Super Payments

- Activate MYOB's built-in super payment feature, Pay Super.
- Once enabled, MYOB will automatically calculate contributions and pay them to the correct funds via SuperStream.

3. Forecast cashflow with MYOB reports

- Use MYOB's cashflow reporting tools to see how weekly or fortnightly super contributions will affect your business finances.
- Build Payday Super into your budgeting cycle now, so it's not a shock in 2026.

4. Automate Payday Super with each payroll run

- Once you set up super in MYOB, it becomes part of your payroll workflow.
- This means you'll never have to remember separate deadlines or calculate amounts manually.

5. Train staff and test early

- Make sure whoever runs payroll understands how MYOB automates super.
- Do a test pay run before 1 July 2026 to confirm everything is set up correctly.

6. Stay audit-ready with MYOB records

- MYOB keeps a secure log of every payment made.
- If the ATO audits you, you can instantly export reports showing dates, amounts, and funds.

Common challenges for small businesses & MYOB solutions

Cashflow strain

- **The challenge:** Paying super every pay cycle reduces flexibility for small businesses.
- **MYOB solution:** Use MYOB's cashflow planner to forecast super obligations weeks and months ahead. This helps avoid cash shortfalls.

Admin workload

- **The challenge:** Manually processing super every pay cycle is unsustainable and increases the risk of non-compliance.
- **MYOB solution:** Automate contributions in the same workflow as payroll. One system covers wages, tax, and super.

Compliance confidence

- **The challenge:** Missing a payment will lead to penalties.
- **MYOB solution:** With MYOB, super is calculated automatically. The system prompts you if anything looks incorrect, reducing risk of errors.

Payday Super FAQs for small businesses

Are there any exceptions to the 7 business day rule?

In limited circumstances, such as onboarding new employees or when an employee nominates a new super fund, additional processing time may apply while fund details are

established. However, employers should still aim to process contributions promptly to meet compliance requirements.

Do I need to make changes now?

While Payday Super doesn't begin until 2026, you should activate MYOB Pay Super now to get used to the process.

Will Payday Super increase my workload?

Not if you're using MYOB. The software automates calculations and payments, so it won't matter whether super is quarterly or weekly, the system does it for you.

What happens if I miss a Payday Super contribution?

The ATO will apply the Super Guarantee Charge, which is costly and non-deductible. MYOB helps prevent this by processing contributions automatically. However, the ATO has indicated that in the first year of Payday Super (2026–27), it will focus on education and support rather than immediate penalties, particularly where businesses are making genuine efforts to comply.

How much does MYOB's super payment service cost?

It's included in MYOB Payroll subscriptions. For small businesses, this is often more cost-effective than handling super manually or outsourcing payroll.

Case Study: A cafe using MYOB for Payday Super

Consider a family-run cafe with 12 casual employees. Previously, the cafe paid super quarterly, which involved a messy reconciliation process every three months. The owners worried about the upcoming Payday Super changes because they paid wages fortnightly, meaning 26 super payments per year instead of 4.

By switching to [MYOB Business](#) Payroll, the cafe enabled automated super payments. Now, when the owners run payroll, MYOB calculates wages, PAYG tax, and super in a single workflow. Super is automatically transferred via SuperStream, and employees see the contributions in their accounts within days.

The cafe also uses MYOB's cashflow forecasting tools to plan for fortnightly super obligations. Instead of being surprised by quarterly lump sums, the owners budget consistently each pay cycle. The result? Less admin, happy staff, and complete confidence in ATO compliance.

Get ready for Payday super with MYOB

- If you already use MYOB, activate Pay Super.
- Review employee fund details.
- Test your workflow early.
- Automate super contributions.
- Ensure ATO compliance.
- Simplify payroll and cashflow management.

[Get MYOB today](#) and set up automated super in minutes.

For more information and support, [check out our Payday Super support hub](#), where you can access all our comprehensive help articles for the upcoming changes, including step-by-step guides and links to ATO resources.

Disclaimer: *Information provided in this article is of a general nature and does not consider your personal situation. It does not constitute legal, financial, or other professional advice and should not be relied upon as a statement of law, policy or advice. You should consider whether this information is appropriate to your needs and, if necessary, seek independent advice. This information is only accurate at the time of publication. Although every effort has been made to verify the accuracy of the information contained on this webpage, MYOB disclaims, to the extent permitted by law, all liability for the information contained on this webpage or any loss or damage suffered by any person directly or indirectly through relying on this information.*

Related Guides

Employer superannuation contributions: everything you need to know

As an employer, understanding when and how to pay your staff's super entitlements will make budgeting for and managing payroll more straightforward.

What is contribution tax in super?

Learn more about superannuation with MYOB. Find out what your tax rate on superannuation contributions is for concessional and non-concessional contributions.

Do sole traders need to make superannuation contributions?

In this guide, we'll look at superannuation rules, payment caps and the benefits of personal contributions.

Small business software

- Plans and pricing
- MYOB Business Lite
- MYOB Business Pro
- MYOB Business Payroll Only
- MYOB Business
- AccountRight Plus
- MYOB Business
- AccountRight Premier
- MYOB AI BAS
- MYOB AI

MYOB Apps

- Solo by MYOB
- MYOB Assist
- MYOB Team

Compare

- MYOB vs Xero
- MYOB vs QuickBooks
- MYOB vs Reckon

Popular features

- Accounting software
- Cloud payroll software
- Timesheets
- Inventory management
- Invoicing software

Partners

- Application marketplace
- Accredited Implementation Partners
- Developer Program
- Affiliate Program
- Training and education providers

Industry solutions

- Sole traders
- Startups
- Construction
- Manufacturing
- Retail

ERP software

- ERP financial management
- ERP payroll management
- ERP inventory distribution
- ERP CRM
- ERP project accounting
- ERP enquiries

Compare ERP

- MYOB Acumatica vs NetSuite
- MYOB Acumatica vs Wiise
- MYOB Acumatica vs Odoo
- MYOB Acumatica vs Microsoft Dynamics
- MYOB Acumatica vs Pronto Xi
- MYOB Acumatica vs MYOB AccountRight

Accountants and bookkeepers

- Accounting practice solutions
- Recommend MYOB Practice manager
- Practice Tax
- Practice BAS
- Join the MYOB Partner Program
- Client Accounting
- Nimbus Document Manager

Resources and tools

- EOFY resources
- Support for your account
- Business guides
- Business templates
- Tools and pathways for students
- Community forum
- Customer stories
- MYOB Academy
- Login to my.myob
- Upgrade or update software
- Product roadmap
- Contact us

