



Australian Government  
Australian Taxation Office

# Payday Super STP Reporting Changes

# Payday Super: STP Reporting Changes

## Agenda

1. Payday Super Overview
2. Ordinary Time Earnings & Qualifying Earnings
3. STP changes
4. Year 1 Approach
5. Implementation considerations
6. Key documents
7. QE testing requirements
8. Key dates
9. More information



**There will be a quick overview of the key changes in Payday Super at the start of this webinar.**

**Our presenters will be focusing most of their time on Single Touch Payroll (STP) changes.**

# 01

# Payday Super Overview



## Key changes



- From 1 July 2026, employers will need to ensure they make SG contributions at the same time they pay salary and wages.
- Contributions will need to be received by the super fund within 7 business days (unless longer applies).
- If contributions aren't received by the employee's super fund within the required timeframe, then the employer could be liable for the Superannuation Guarantee Charge (SGC).
- There is a new SGC under Payday Super.
- Employers will have additional time (a total of 20 business days) to make SG contributions for new employees, or where they need to make a contribution to a new super fund for existing employees.

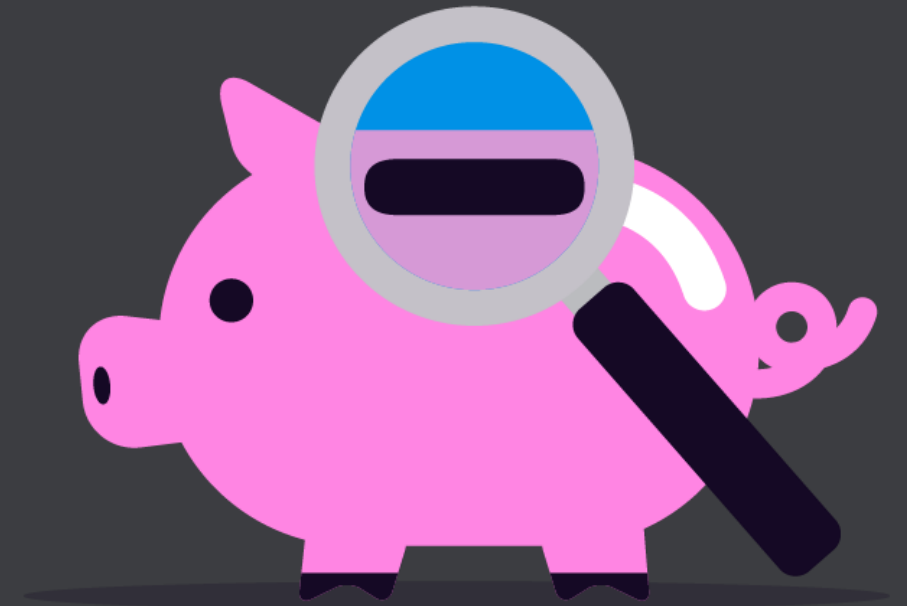
## ATO's compliance approach for employers during the first year of Payday Super

- Draft guidance has been published on the ATO's compliance approach for employers for QE days in the first year of Payday Super.
- [PCG 2025/D5](#) - draft is available on our website.
- Feedback on this PCG closed on 7 November.



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# Ordinary Time Earnings & Qualifying Earnings



# Ordinary Time Earnings (OTE)

**OTE is a specific term defined in the *Superannuation Guarantee (Administration) Act 1992 (SGAA)***

It reflects the minimum legislative amount upon which employers must currently base their SG contributions.

Employers **may have additional obligations** to contribute super amounts on payments defined in industrial instruments (awards or agreements).

However, those additional industrial amounts are **not OTE**.

**There are no changes to which payments count towards OTE** (however, maximum contribution base is now calculated on QE on a financial year basis).

## Qualifying Earnings (QE) in STP

- Qualifying Earnings includes all payments that are currently treated as Ordinary Time Earnings (OTE) for the purposes of the Superannuation Guarantee(Administration) Act 1992 (SGAA)



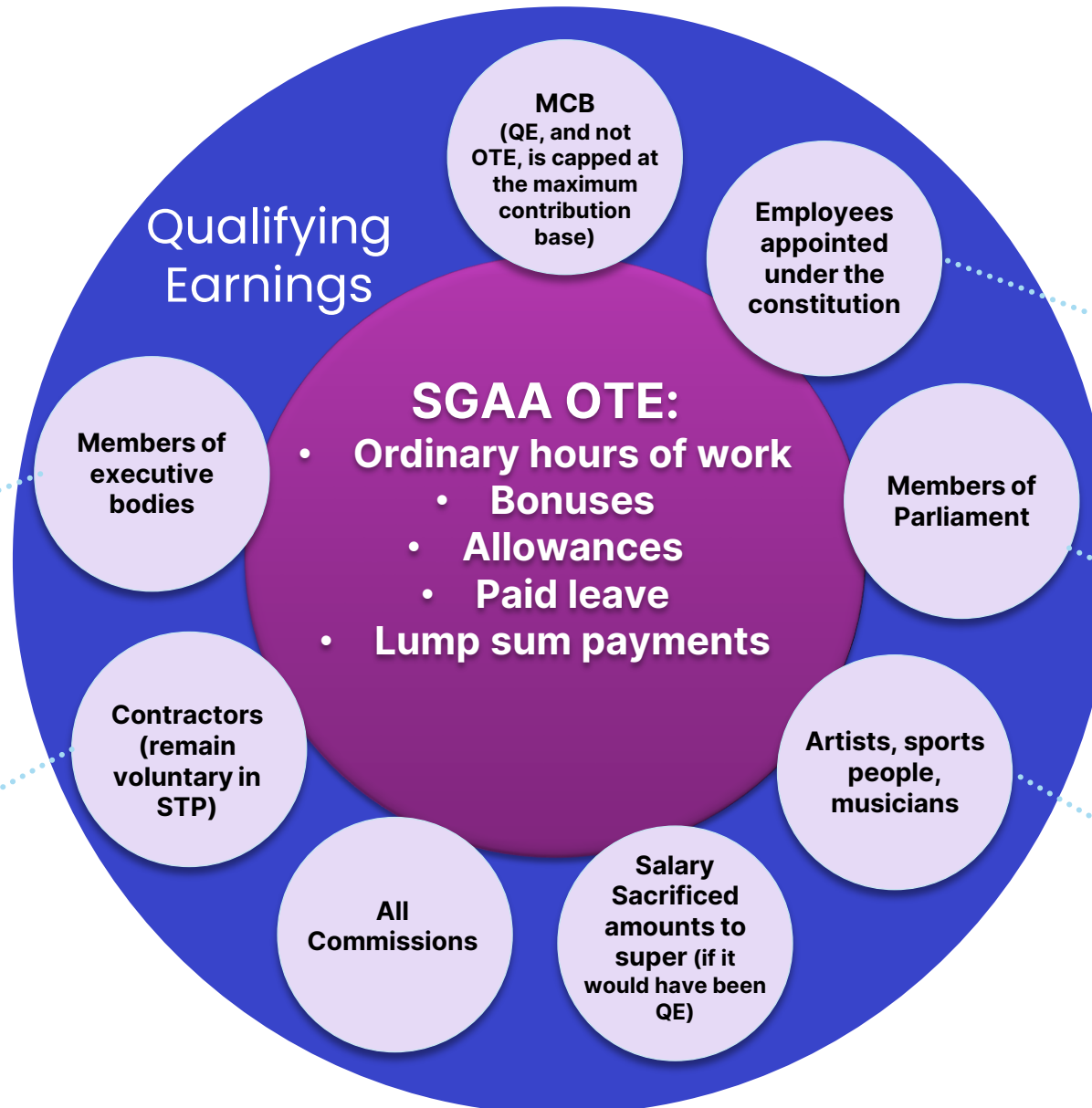
# Defining 'Qualifying Earnings'



**For many employees QE will equal OTE**

All payments for the performance of the person's duties as a member of the executive body (whether described as the board of **directors** or otherwise) of a body corporate

All payments under a **contract** referred to in subsection 12(3) that are in respect of the person's labour under the contract (**Contractors** to remain voluntary in STP)



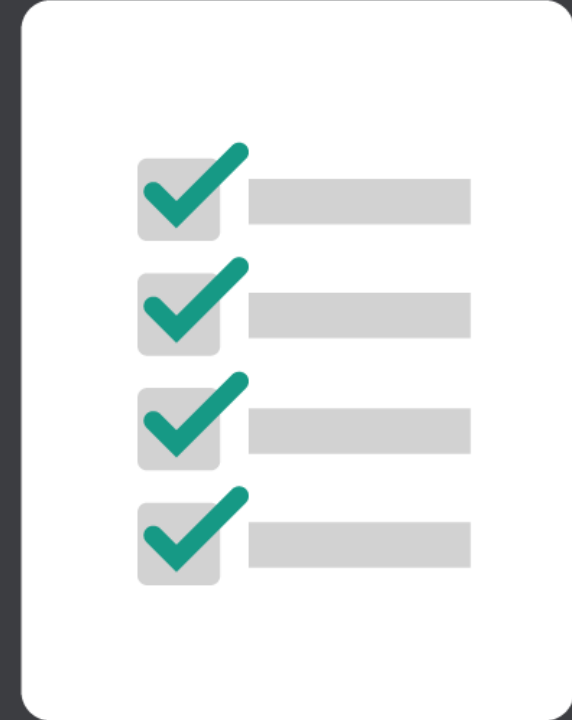
**12(9) or (10)** employees (includes appointments under the **constitution** (i.e. Governor General))

All remuneration of the person as a member of the Parliament of the Commonwealth or a State or the Legislative Assembly of a Territory (**members of State and Federal parliament**)

Payments to the person for work referred to in subsection **12(8)** (artists, sports people, musicians etc)

# 03

## STP changes





## Employers will be required to report QE

- STP will be updated to require reporting of QE and SuperLiability from 1 July 2026
- The ATO will use the QE amount reported in STP to determine if employers have met their SG obligation.
- The reported QE amount will also form the basis of any Super Guarantee Charge raised by the ATO where non-compliance is detected.

# 04

## Year 1 Approach



## Key messages for DSPs

- EVTE environment, technical specifications and guidance material will be available in December.
- Your STP products must be updated to enable reporting of both Qualifying Earnings and Super Liability from 1 July 2026.
- Updated products should be available as early as possible so employers can start reporting from 1 July 2026.
- Products must enable full YTD reporting for employers onboarding to the new requirements part way through the 2026-27 financial year.
- You will be required to provide build and readiness plans.
- Business scenario testing will be required by all DSPs. Where necessary, ATO may contact you regarding your testing results.
- DSPs who have not updated their products by 1 July 2026 risk de-whitelisting.
- No extra time will be granted to DSPs to deliver these product changes.

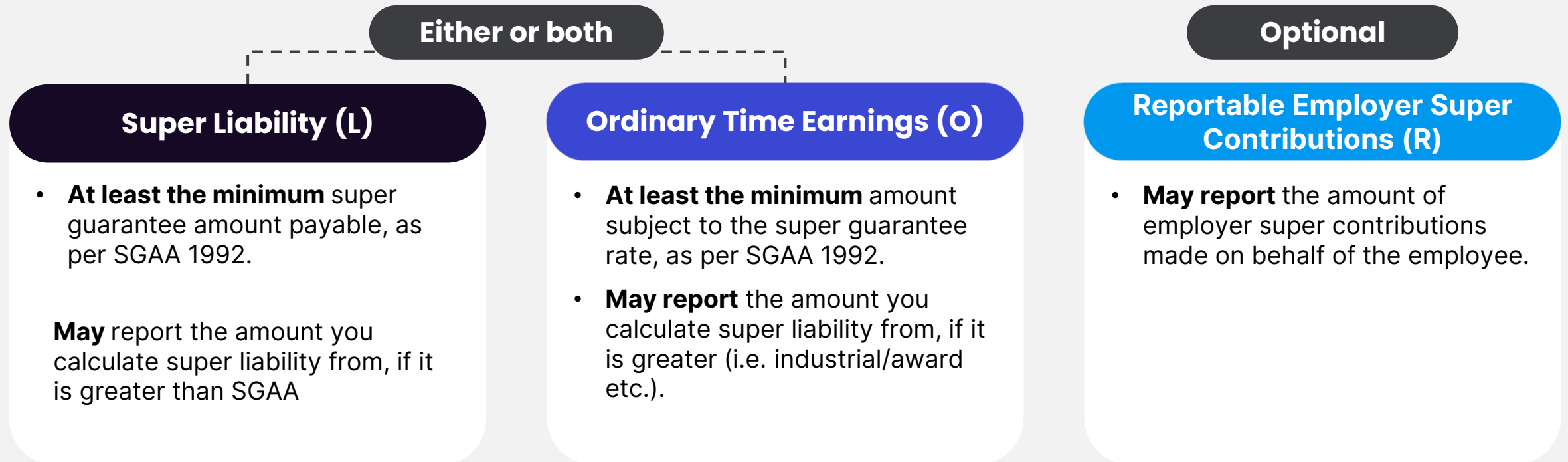


## Key messages for employers



- QE will be used by ATO to determine an employee's SG entitlements.
- From 1 July 2026, employers must report YTD Qualifying Earnings and Super Liability for each employee every payday via STP.
- Employers should review and prepare to correctly map pay codes now to meet QE reporting obligations and ensure readiness when their updated payroll software is available.
- Employers who are unable to report Qualifying Earnings and Super Liability by 1 July 2026 should begin reporting these amounts as soon as possible after that date.
- From 1 July 2027, employers not reporting Qualifying Earnings and Super Liability will have their reporting rejected where penalties can apply.
- Employers do not need to request a deferral if they can start reporting QE during 2026–27 FY.

# Current STP requirements Superannuation Entitlement Tuple



# Future STP QE requirements Superannuation Entitlement Tuple

Once QE reporting commences

**Both**

## Super Liability (L)

- **At least the minimum** super guarantee amount payable, as per SGAA 1992.

**May** report the amount you calculate super liability from, if it is greater than SGAA

## Qualifying Earnings (Q)

- **New concept** – basis on which employers calculate SG
- **May not** report the amount you calculate super liability from, if it is greater than SGAA requirement (industrial/award etc)
- **Must report** full YTD amount



New type code

**Optional**

## Reportable Employer Super Contributions (R)

- **May report** the amount of employer super contributions made on behalf of the employee.

# Transitioning to the new validation rules

## Pay/Update date post 30 June 2026

Files containing Q will be accepted (new code)

Files containing only L will still be accepted

Once Q is reported, L must also be reported

If Q is reported, O cannot be reported

R remains optional (no change)

## Pay/Update date post 30 June 2027

Files must contain both L and Q – files which don't contain both will be rejected

Files containing O will be rejected (deprecated code)

R remains optional (no change)

# Future requirements Superannuation Entitlement Tuple

## Existing STP Validations

**Either L or O  
Mandatory**

**R Optional**

```
<tns:SuperannuationContributionCollection>
  <tns:SuperannuationContribution>
    <tns:EntitlementTypeC>L</tns:EntitlementTypeC>
    <tns:EmployerContributionsYearToDateA>3600</tns:EmployerContributionsYearToDateA>
  </tns:SuperannuationContribution>
  <tns:SuperannuationContribution>
    <tns:EntitlementTypeC>O</tns:EntitlementTypeC>
    <tns:EmployerContributionsYearToDateA>30000.00</tns:EmployerContributionsYearToDateA>
  </tns:SuperannuationContribution>
  <tns:SuperannuationContribution>
    <tns:EntitlementTypeC>R</tns:EntitlementTypeC>
    <tns:EmployerContributionsYearToDateA>5000.00</tns:EmployerContributionsYearToDateA>
  </tns:SuperannuationContribution>
</tns:SuperannuationContributionCollection>
```

## Future STP Validations

**L Mandatory**

**Q Mandatory**

**R Optional**

```
<tns:SuperannuationContributionCollection>
  <tns:SuperannuationContribution>
    <tns:EntitlementTypeC>L</tns:EntitlementTypeC>
    <tns:EmployerContributionsYearToDateA>3600.00</tns:EmployerContributionsYearToDateA>
  </tns:SuperannuationContribution>
  <tns:SuperannuationContribution>
    <tns:EntitlementTypeC>Q</tns:EntitlementTypeC>
    <tns:EmployerContributionsYearToDateA>30000.00</tns:EmployerContributionsYearToDateA>
  </tns:SuperannuationContribution>
  <tns:SuperannuationContribution>
    <tns:EntitlementTypeC>R</tns:EntitlementTypeC>
    <tns:EmployerContributionsYearToDateA>5000</tns:EmployerContributionsYearToDateA>
  </tns:SuperannuationContribution>
</tns:SuperannuationContributionCollection>
```

# Key points



The change to add a new code in the SuperEntitlements Tuple does not require a change to the MST- therefore there is no STP re-version.



DSPs do not need to re-whitelist PayEvent2020 but will need to undergo testing for the new requirements.

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# Implementation considerations



# Considerations for super entitlements

Many enterprise agreements, individual employment contracts and awards stipulate that superannuation is payable on amounts **above SG requirements**

## Industrial super obligation example

*In addition, employer superannuation contributions will be paid for the following employees:*

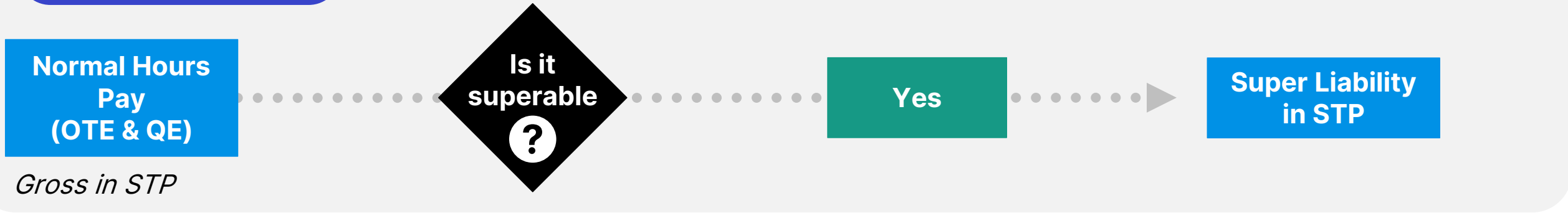
- a) employees who are on leave for **parenting purposes**, with or without pay, as if they had been at work; (**not** OTE for purposes of SGAA and not QE)*
- b) employees who are in receipt of **workers compensation payments**, in which case the amount of super will be based on the amount of payment they are receiving at that time; (**not** OTE for purposes of SGAA and not QE)*

## Industrial super obligation example

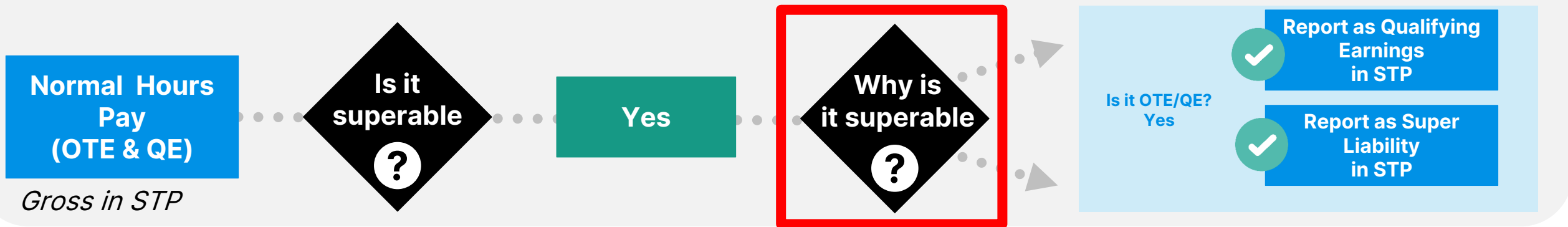
The **ABC Agreement 2024** specifies that superannuation payments are calculated on the employee's **Total Remuneration**, which includes overtime, all paid leave, allowances, and penalties.

# Pay code/pay item mapping considerations

## Current state



## Future state



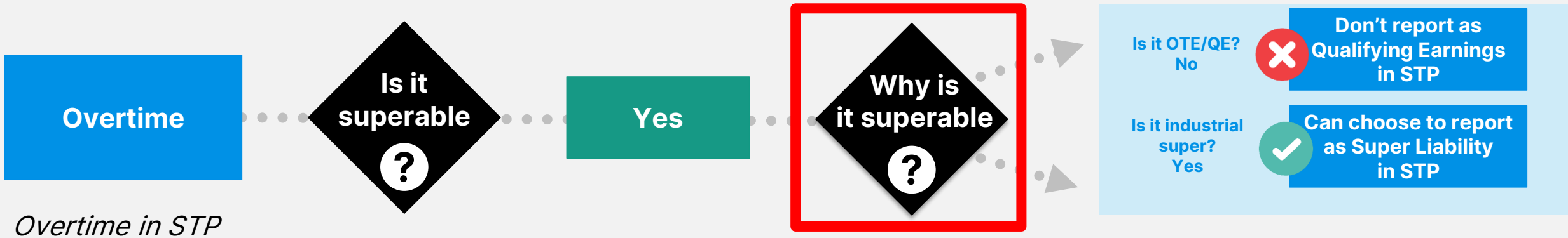
# Pay code/pay item mapping considerations

! In this scenario, the employer has an industrial obligation to pay super on all remuneration

## Current state



## Future state



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# Key documents



# Key documentation

## UPDATES COMING SOON

### Validation Rules

A set of rules which apply to a message and describe the response messages returned by ATO.

### Business Implementation Guide (BIG)

The Business Implementation Guide sets the business rules for STP Phase 2 reporting. It will be updated to include Qualifying Earnings and is intended as one of the key documents DSPs should refer to.

### Income Types/ Country Codes Position Paper

The purpose of this Position Paper is to explain the Income Stream Collection.

### Disaggregation of Gross Position Paper

The purpose of this Position Paper is to explain the Payment Types that are reported within the Income Stream Collection.

### Other Components Position Paper

The purpose of this position paper is to explain the non-cash items of income or deductions from income, Other Components, which are reported per payee.

### Tax Treatments Position Paper

The purpose of this position paper is to explain the Tax Treatment field in the Employment Conditions tuple of the Child records.

## Fact sheets and web-content

Payday Super web content and fact sheets to help employers are available at [ato.gov.au/paydaysuper](http://ato.gov.au/paydaysuper). The ATO will continue to share communication products as they become available.'

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## QE testing requirements



# Testing Approach

**1**

JIRA ticket will be issued. You will need to confirm your awareness, development and provide a customer transition plan (we will provide you a template)

**2**

Undertake self-test in EVTE which confirms the file includes Qualifying Earnings (Q) and Super Liability (L)

**3**

Undertake business scenario test to ensure product is producing expected values. ATO will provide business scenarios.

**4**

Submit JIRA ticket to notify ATO your product/s is ready and confirm your customer transition plan.

**Ongoing contact will be via your JIRA ticket throughout this process**

## Self-conformance business scenario in EVTE

- Undertake the payroll business scenario confirming your product has been designed to support the correct reporting of QE for PayEvt2020 Submit and Update actions
- Attach evidence to your product readiness ticket – ATO may engage you to discuss your testing result

### Submit Action

**Payee 1**  
Paid Parental Leave

Paid Parental Leave is not QE

**Payee 2**  
Workers Compensation  
(absence/not at work)

Workers Comp (absence) is not QE

**Payee 3**  
Gross  
Tool and Task  
Allowance

Expense Allowances are  
generally not QE  
Task Allowance is QE

**Payee 4**  
Gross  
Overtime

Overtime is not QE

### Update Action

**Payee 1**  
Paid Parental Leave

**Payee 2**  
Workers Compensation

**Payee 3**  
Gross  
Tool Allowance

Expense Allowances are  
generally not QE

**Payee 4**  
Gross  
Overtime

Only payee 3 requires a YTD correction

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## Key dates



## DSP testing and readiness timeline

Key dates	Activity
<b>December 2025</b>	EVTE available
<b>December 2025</b>	DSP documentation available
<b>From December 2025</b>	DSP self-conformance can commence
<b>From January 2026</b>	JIRA ticket issued to each DSP
<b>1 July 2026</b>	Employers commence reporting QE (full YTD required if employer onboards part way through 2026-27 FY)
<b>1 July 2027</b>	Validation rule to reject pay events that do not contain L and Q



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# More information



## Need more information? Visit:

- › [Payday Super](#) on the DSP hub
- › [www.ato.gov.au/paydaysuper](http://www.ato.gov.au/paydaysuper)

**The ATO will continue to share communication products as they become available.**

## Have more questions?

### Register to use Online services for DSPs

It is the best way for you to access our support. It offers a quick and simple way for you to log and track your requests with the Digital Partnership Office (DPO).

**Register at [Online services for DSPs](#) to minimise any delays in actioning your requests.**

