

## EXTRA PAY FORTNIGHT FOR 2026-2027

The financial year of 1 July 2026 to 30 June 2027 has 27 fortnightly pay periods – the first pay day is 1 July 2026 and the last pay day is 30 June 2027.

This phenomenon occurs approximately every 11 years, depending on the specific pay day.

### What does this mean?

You haven't earned any more each fortnight, but your annual taxable income for the financial year is recorded as higher because earnings are captured by the Australian Tax Office (ATO) when they are 'received/ paid'.

The below example is the difference in financial year income:

26 pay periods (the current year) - \$2,500 taxable income/fortnight = \$65,000

27 pay periods (next year) - \$2,500 taxable income/fortnight = \$67,500

### Avoid a potential nasty surprise when you lodge your tax return for 2026/2027

When the financial year has 27 pay periods, the Australian Taxation Office (ATO) recommends that employees organise additional tax deductions from their fortnightly salary.

Here is a link to the page on the ATO's website for your information. Scroll to the bottom of the page regarding extra pay periods.

<https://www.ato.gov.au/Rates/Fortnightly-tax-table/>

ATO suggested additional deductions each fortnightly pay:

### Extra withholding amount

Fortnightly earnings \$	Additional withholding \$
1,750 to 4,549	13
4,550 to 6,749	21
6,750 and over	40

Note - these rates are based on the 2025/2026 financial year and may be subject to a small change. We will advise closer to the date if the rates increase.

### It's your choice

It is not compulsory; however you can choose whatever amount you like as an additional taxation deduction, but aforementioned are the minimum rates recommended by the ATO.