



Understanding the Member Verification Request (MVR) Under Payday Super

As Australia moves toward the implementation of Payday Super, new processes are being introduced to support near real-time Super Guarantee (SG) compliance. One of the most significant of these is the Member Verification Request (MVR) — a new digital business message within the SuperStream environment.

While the purpose of the MVR is straightforward, there is considerable uncertainty among employers, payroll teams, and superannuation funds about when it is mandatory, when it is optional, and when it must not be used.

This article explains the MVR in practical terms - helping employers and service providers apply the rules correctly and reduce compliance risk.

What Is a Member Verification Request (MVR)?

The Member Verification Request (MVR) allows an employer to digitally verify that:

1. An employee is a member of a particular superannuation fund; and
2. The fund can accept super guarantee (SG) contributions for that employee.

3. The key objective is to verify membership before sending SG contributions. This will help avoid contributions being refunded and placing an Employer’s SG compliance at risk.

Super funds must respond to an MVR within 24 hours of receipt e.g.

- Received at 1:00pm on Thursday, the fund must respond by 1:00pm on Friday
- Received at 1:00pm on Friday, the fund must respond by 1:00pm on Saturday

With a number of funds using automated processes to identify the member, the likelihood of a response much sooner is high.

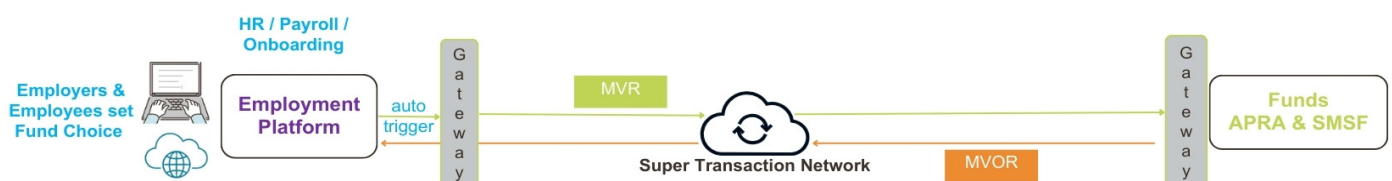
Why the MVR Matters

The MVR is designed to reduce the risk of rejected or refunded contributions.

Refunds create serious compliance risks under Payday Super because:

- Super Guarantee (SG) must be paid correctly and on time (on payday).
- SG must reach the fund and be able to be applied

Employer-to-Fund Member Verification Flow



- by the 7th business day after payday.
- A rejected contribution may mean the employer has not technically met their SG obligation.
- Rectifying refunded contributions takes time and can create administrative burden and financial exposure.

By verifying details upfront, employers gain greater confidence that their contributions will be accepted and applied correctly.

The Overarching Principle

The Australian Tax Office's (ATO's) guidance can be simplified into one core rule:

An employer must send an MVR when they identify that they need to make an SG contribution to a super fund for the first time for a particular employee.

If employers and their digital service providers (DSPs) apply this principle consistently, they will meet the intent of the ATO's requirements and minimise refunds.

When MVR Is Mandatory

An MVR is mandatory in scenarios where an employer is making a contribution to a super fund for a particular employee for the first time. The scenarios below reflect situations where this is likely to be the case.

Generally, these also align with the legislative timeframe of 20 business days for initial employer contributions.

These scenarios should ideally be automated within onboarding or payroll systems.

1. New Employee – Choice of Fund

A new employee advises their chosen super fund.

2. Refund Followed by Change of Fund

The employer receives a refund because contributions were made to an incorrect fund for the employee, and the employee subsequently provides updated or corrected fund details.

3. Employee-Initiated Change of Fund

An employee makes a personal decision to change their super fund.

Where MVR is Highly Recommended

While these scenarios are not legally mandated there

are benefits to using the MVR in these cases:

4. Stapled Account Provided by the ATO

Most common for new employees. The employer receives a stapled fund response and must contribute to that fund for the first time. This provides assurance that the stapled fund is ready and able to accept contributions for that employee.

5. Successor Fund Transfer (SFT)

The employee notifies the employer that their existing fund has merged with another fund. The first contribution to the new fund would benefit from pre-valuation.

Important Scenario: An employer's Registered Default Fund

There is one important use case that is worth exploring in more detail.

6. Employee Chooses the Employer's Default Fund

If an employee (new or existing) chooses the employer's default fund, the employer is not required to send an MVR, as there is no existing member account to validate.

By sending an MRR instead, the employer will have a new account created for the employee and can then confidently contribute to that account.

There may be occasions when employers or their solutions, send an MVR to a fund with which they have a default relationship. That is ok. In these instances funds should respond quickly (no later than 24 hours) with a definitive error message: *Member not found* with supplied information. The details you provided were not able to be matched to a member account within the superannuation fund. This allows the employer to best understand the next course of action prior to contributing again.

Member Registration Request (MRR)

A *default* fund means:

- The employer is known to the fund; and
- The fund has authorised the employer to register new memberships in a designated product.

From a fund's perspective, this is known as a participating employer relationship. If an employer or their solution sends an MRR to a fund they do not have a default relationship with, the fund should respond as soon as possible with a clear error message: *No account exists and you do not have a default relationship with the fund to register the employee.*

If payroll or onboarding systems cannot confidently identify that the fund is the employer's default product, then MVR rules should apply.

When MVR Is Optional

There are limited situations where MVR may be sent, but it is not required. These scenarios are generally low risk and unlikely to represent a "first-time contribution" situation.

7. Employee Data Changes

Examples:

- Name change
- Date of birth update
- TFN update

These changes:

Do not generally affect the fund's ability to accept contributions as a stand alone change, however may form part of the fund's criteria on which they match employee details.

May affect insurance arrangements within the fund.

In most cases, these updates are better handled via the employer's usual super remittance process using an MRR, rather than triggering an MVR. Some funds will require the employee to verify the change of details independently.

8. Change in Payroll or Registry Systems (With Fund Agreement)

If an employer changes payroll or registry systems and has agreement from the fund, an MVR could be used as a precaution.

However, this scenario is rare.

It is unlikely to be suitable for automated triggering. Remember, the MVR is designed as a single request. Even if an employer is checking a number of employees via the MVR, these will be sent as individual requests.

It should only be used where there is genuine uncertainty about data migration accuracy.

When MVR Must Not Be Used

There are clear boundaries around inappropriate use.

9. Regular Contribution Submission

An MVR must not be used as a routine pre-check before each payment cycle.

The MVR is not intended to be a standing validation mechanism. Its main purpose supports first-time contribution scenarios.

10. Any Other Scenario

If the situation does not fall into the above scenarios, then **MVR must not be triggered**.

Practical Application for Employers and DSPs

While the rules are clear in principle, applying them operationally can be complex.

It is unrealistic to expect HR or payroll staff to assess each situation manually. Instead:

Business-as-usual payroll and onboarding systems should automatically trigger MVR in mandatory scenarios.

Systems must also prevent MVR from being triggered in disallowed situations.

Clear decision logic aligned to the "first-time contribution" principle is essential.

Digital Service Providers (DSPs), accountants, and bookkeepers should review their workflows to ensure that system automation reflects the intent of the ATO's guidance and ensure clear communication around the design of this feature in software solutions.

There is some concern within the employer community that certain DSPs won't be able to provide the MVR capability prior to the commencement of Payday Super on 1 July 2026. It is important that employers talk to their DSPs early to understand implementation timeframes and system readiness. Some DSPs may offer alternative arrangements, through their clearing house for example, during the first year of Payday Super where they are unable to integrate the MVR into their software directly.

It is important that employers understand how their solutions will integrate this capability once it is implemented – whether the MVR will be automatically triggered when a defined scenario is met, or whether it will require manual initiation by the employer.

Key Takeaways

The MVR verifies membership and acceptance before contributions are sent.

Funds must respond quickly within 24 hours.
The MVR reduces refund risk and supports SG compliance.

The core principle: Use MVR when contributing to a fund for the first time for a particular employee.

Do not use The MVR as a routine payment-cycle check.
Use MRR instead when registering members with an employer's default fund.

Final Thoughts

The introduction of the MVR under Payday Super is about improving data accuracy, reducing rework, and protecting employers from inadvertent non-compliance.

When applied correctly and guided by the “first-time contribution” principle, the MVR becomes a practical safeguard rather than an administrative burden. As Payday Super approaches, now is the time for employers and service providers to review their onboarding and payroll processes to ensure they are ready.