



Use this checklist to help you navigate the end of year payroll process from start to finish.

Disclaimer: This is not an exhaustive checklist. Seek further help on [Xero Central](#), ask your professional association or adviser, or contact the Australian Tax Office (ATO).

Step One: Check your settings

Reduce filing errors by reviewing key information before you report any information to the ATO.

ACTIVITY	COMPLETE	N/A
Organisation settings - Organisation details		
Check the Legal/Trading name, Australian Business Number (ABN), Branch Number and Postal address inc. postcode are correct.		
For corrections to Single Touch Payroll (STP) data as a result of a change in ABN or branch number partway through the financial year, click here .		
Payroll settings - Pay Items		
Under the Earnings tab, check that earnings pay items have the correct earnings category assigned for STP reporting. View our guide on ATO reporting categories in Xero Central .		
Also review the Reportable as W1 column to ensure earnings rates are reported correctly on activity statements.		
Check allowances have an ATO type assigned for correct reporting with STP. To learn more about allowance types, click here .		
Under the Deductions tab, review the Excluded from W1 column for each deduction pay item to ensure deductions are reported correctly on activity statements.		
Under the Leave tab, check that leave types have the correct leave category assigned for STP reporting. To learn more about paid leave categories, click here .		
Employees		
Run the Employee Contact Details report to check each employee entry for accuracy, focusing on their date of birth and postcode.		



Step Two: Reconcile your payroll transactions

Now you've reviewed all the key details in your organisation, reconcile payroll transactions to your accounts.



Payroll reports are based on the payment date of pay runs and not the pay period end date. Adjust the date ranges of payroll reports to see the information you need.

ACTIVITY	COMPLETE	N/A
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Payroll - Pay employees

Check all pay runs for the financial year have been posted and have a payment date within the financial year being finalised.

Confirm all pay runs for the financial year have been successfully filed to the ATO for STP reporting, or if filing errors exist, confirm these errors have been resolved in subsequent pay runs.

Bank accounts

Confirm all wages have been paid through the business bank account.

Check all payroll related transactions such as wages, PAYG and superannuation have been reconciled to your bank statement lines.

Reconcile

Run the [Payroll Activity Summary](#) report and the [General Ledger](#) report to reconcile your payroll data and ensure amounts match.

Payroll Activity Summary		General Ledger report
Total Earnings	should match	Total Wages and Salaries
Total Super	should match	Total Superannuation
Total Tax	should match	Total PAYG Withholding Payable

If balances don't match, check your pay run history to find the pay run with the error and [process an adjustment](#).



To view multiple Xero pages at the same time, use tabs. For a PC, right-click on a link and select Open a new Tab. For a Mac, hold down the Command key and click on the link.





Step Three: Finalise Single Touch Payroll data

Businesses using Single Touch Payroll (STP) will need to finalise employee wages, PAYG, and superannuation for the financial year by completing an STP finalisation.



If an employee doesn't appear when processing an STP finalisation, review their employment start date and employment basis in their employee profile.

ACTIVITY	COMPLETE	N/A
Single Touch Payroll - Finalisation		
Set the tax year to the financial year you are finalising.		
Toggle on Show terminated employees for RFBA at the bottom of the employee list (if required).		
Select the active and terminated employees to be finalised; either individually or using the checkbox next to First name to include all.		
Complete the following; <ul style="list-style-type: none"> Review each employee's year-to-date summary for accuracy. Enter any required Reportable Fringe Benefits Amounts (RFBA). 		
To view an employee's year-to-date summary, click View report . Export the report as a PDF or CSV file if required.		
To add an employee's RFBA, click Edit RFBA and enter the amount in the required columns. Click Save changes to apply the amounts to their summary.		
Once all employees have been reviewed, click Submit finalisation .		
On the Confirm & Submit screen: <ul style="list-style-type: none"> Review the business and employee information for accuracy. Read and accept the Authorisation to file declaration. 		
Tick the checkbox to confirm you have read and accept the authorisation to file. Click Submit to ATO to finalise the submission.		
TIP: To check the status of your finalisation, go to the STP Overview or finalisation page.		



Step Four: Process adjustments

If adjustments to an employee's pay are required, [process an unscheduled pay run](#).

Once the adjustment pay run has been posted, file that pay run to the ATO. Then repeat the finalisation process again for the affected employees only. For detailed instructions on fixing a STP filing error, [click here](#).

Step Five: Process superannuation payments

If you would like to claim a deduction for your superannuation payments and use Auto Super, your super batches must be approved by the authoriser no later than **2.00pm AEST, 24th June 2026**. This allows enough time for the payments to be debited and forwarded to the super funds by 30th June. For detailed instructions on processing superannuation using Auto Super, [click here](#).



Congratulations! You've now completed your payroll year end.