COTA TASMANIA for older Australians

Briefing Note: Phase out of Cheques

Cheques are being phased out - but there is time to prepare

Australia's cheque system will close over the next few years. Nothing is changing immediately, but people who still use cheques should begin considering their alternatives now.

There are two important dates:

- **30 June 2028:** personal, business, government and bank cheques can no longer be written.
- **30 September 2029:** banks and financial institutions will stop accepting cheques altogether.

Some financial institutions have already reduced or withdrawn their cheque services. However, the major banks have committed to continue handling cheques in line with the national timetable.

What can I use instead?

The best alternative will depend on what you use cheques for. Options may include:

- **Debit or credit cards** for purchases made in person, online or over the telephone. Check whether the business charges a card surcharge.
- **Bank account transfers** using the recipient's BSB and account number. These are commonly made through online or mobile banking, but some banks may also offer transfers through telephone banking or at a branch. Ask whether any fees or limits apply.
- **PayID** for transferring money using the recipient's mobile number, email address or ABN instead of their BSB and account number. PayID is accessed through participating banks' online or mobile banking services.
- **BPAY** for bills carrying a BPAY biller code and customer reference number. Depending on your bank, BPAY may be available through telephone banking as well as online.
- **Direct debit or PayTo** for regular payments. Always check the amount, frequency and cancellation arrangements before agreeing.
- **PayPal** for businesses and organisations that accept it. Paying for goods or services in Australia using Australian dollars is generally free for the purchaser, although a PayPal account and internet access are required.
- **Cash**, where the person or business accepts it.
- **Post Billpay** for eligible bills displaying the Australia Post Billpay logo. These may be paid at a participating Post Office using the payment methods accepted by the biller.
- **Australia Post money orders** as a paper-based alternative for people who do not use digital banking.

- As at August 2026, a Standard Money Order costs $13 and can be issued for up to $5,000. An Express Money Order costs $25 and can transfer up to $10,000. The recipient must agree to accept the money order and will then need to cash or deposit it.

What will it cost?

Many alternatives are free for the person making the payment. Online bank transfers, PayID and BPAY payments from an everyday transaction account are generally fee-free.

PayPal does not charge Australian customers when paying for goods or services in Australian dollars, or when sending a domestic personal payment funded from a PayPal balance or linked Australian bank account.

Fees may still apply to some accounts and transactions, including:

- staff-assisted bank transfers;
- money orders;
- some Post Billpay transactions;
- card-funded PayPal payments;
- international payments or currency conversion; and
- some debit or credit card payments.

Fees and payment arrangements differ between banks, accounts and businesses. Always check the fee before confirming a payment.

What can I do at Australia Post?

Bank@Post allows customers of participating banks to deposit or withdraw cash and check their account balance. However, access is subject to the rules of the customer's bank.

You will generally need an eligible EFTPOS card linked to the account and may need to enter its PIN. This can create difficulties for organisations, businesses and other accounts where the person making the deposit is authorised to handle the money but does not have a card linked to that account.

Some banks offer special arrangements for business and organisational accounts, such as deposit-only cards or barcoded deposit slips. These must usually be arranged with the bank beforehand.

Bank@Post is not a full bank branch. It does not generally allow you to:

- deposit cash into an account unless you have an eligible card or approved business deposit facility;
- deposit cash into an account held with a different bank;
- transfer money directly into another person's account; or
- access the full range of services available at a bank branch.

Post Billpay is a separate service that allows eligible bills to be paid at participating post offices. Look for the Australia Post Billpay logo and payment instructions on the bill.

Check before visiting a bank branch

If you need to visit a bank branch, check its opening hours and available services before travelling. Some regional branches operate reduced hours, and the nearest full-service branch may be difficult to reach - particularly for people with limited mobility or without access to a car.

What should I do now?

If you regularly use cheques:

1. Make a list of the people and organisations you pay by cheque.
2. Ask each recipient what other payment methods they accept.
3. Contact your bank and ask it to explain all available options - including telephone and staff-assisted banking - and any fees that apply.
4. Try your preferred alternative well before cheques disappear.
5. Ask for assistance if you are not confident using a new payment method.

You do not have to hand your banking password or PIN to a family member or friend. If you need continuing help managing your account, ask your bank about safe and formally authorised arrangements.

Stay alert to scams

Never transfer money because someone unexpectedly contacts you and tells you to move it to a "safe account". Do not disclose your banking password, PIN or one-time security code.

If in doubt, stop and contact your bank using the number printed on your card or statement - not a number provided in an unexpected email, text message or telephone call.

People who cannot use digital banking must not be left without a safe, affordable and practical way to manage their own money. COTA Tasmania will continue raising accessibility and financial inclusion concerns as the cheque system is phased out.

More information

More information is available from the Cheques Transition website, the Australian Government's Cheques Transition Plan, Australia Post, or directly from your bank or financial institution.