e-BAS ACCOUNTS®

e-News

Monday, 17th August 2026

Newsletter No 196

New Xero Feature: Pay Bills from your Xero File

xero

Paying bills is one of those jobs that can quietly chew up more time than it should. Open Xero, check the bill, leave Xero, jump into the bank, re-enter the details, approve the payment, then come back and make sure everything lines up. So, Xero's new **online bill payments** feature is interesting because it aims to cut out some of that back-and-forth.

In simple terms, the feature lets eligible Australian businesses pay supplier bills **from inside Xero**. Once it is set up, you can select bills, choose how you want to fund them, and authorise the payment without leaving the platform. Xero says payments are processed through its partner **Airwallex**, and suppliers can be paid by **BPAY, PayID or bank transfer**.

The main benefit here is not just convenience. It is also about **efficiency, visibility and fewer manual mistakes**. If bills can be selected, authorised and tracked in one workflow, there is less re-keying, less switching between systems, and a clearer view of what is due and what has been paid. For busy business owners and bookkeepers, that could make bill payment feel a lot less messy.

There are a few practical points worth knowing. To get started, you need the right Xero permissions, you need to complete business and identity verification, and you need to connect a bank account. Xero says you can fund payments using **PayTo** or **Direct Debit**. PayTo appears to allow instant payments but with lower transaction limits, while Direct Debit can take **1–3 business days** and may allow higher limits.

As for fees, Xero's current guidance says the setup is **free during the beta phase** and available across all pricing plans. That is the good news. The catch is that **fees may apply later once the feature is fully launched**, so this is definitely something to watch before building it into your regular workflow.

FAQs noted in the guidance:

- Can you pay individuals or personal accounts? **No — only businesses.**
- Can you make international payments? **Not yet — currently only Australian bills in AUD.**
- Can you fund payments by credit or debit card? **No — bank accounts only for now.**
- What if your bank does not support PayTo? **You can use Direct Debit instead.**

If Xero continues to develop this well, it could become a very handy feature for businesses wanting a simpler accounts payable process.

Read the full article to learn more.

This newsletter provides general information only and does not take into account your specific circumstances. It is not tax or financial advice. Please check Xero's latest guidance or speak with your adviser before acting.

In Other Bookkeeping_BAS News...

Can I Claim the GST on That page updated: Some new information has been updated in relation to burns products, sunscreen products and waterproof bedding.

Next BAS due date: The next quarterly BAS for **April to June 2026**, is due by **28th July 2026 if lodging by paper.** If lodging via online services or your tax agent, then the due date is **25th August 2026.**

Next IAS due date: The July 2026 Business Activity Statement is due by **21st August 2026.**

Fuel Tax Rates July 2026 to 30 June 2027: Check the fuel tax credit rates for business from 1 July 2026 to 30 June 2027 here.

PayDay Super is now Law: Payday Super will begin 1st July 2026.

PayDay Super Resources: Find some resources from the ATO to help you get ready for Payday Super here.

FY27 Car Thresholds: Here are the car thresholds for FY27.

Delivery workers catch a break: New minimum standards for on-demand delivery workers from 17 August 2026. See Fair Work post here.

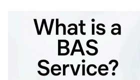
Enjoyed this newsletter? Subscribe to receive it straight to your inbox!

Subscribe

Latest Articles

Do You Need to Register for GST?

GST registration is mandatory in certain situations. Find out if you should register or not in this blog.



What is a BAS Service?

Bookkeeping vs BAS Services and why the difference matters.

Payday Super Legislation is Now Law: What Employers Need to Know

Payday Super starts on 1 July 2026. If you're an employer, this blog will help you understand how Payday Super will affect your payroll processes and cash flow.

Payday Super Resources Dashboard

This dashboard has been created to provide employers with resources and insights to help them understand Payday Super and prepare for its impact. Use the dashboard to navigate Payday Super rules and prepare your business for the transition.

e-BAS Accounts

PO Box 3128

Grovedale VIC Australia 3216

1300 660 655
louisem@e-bas.com.au