



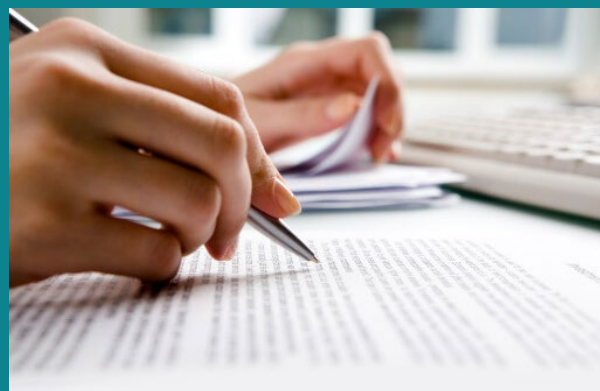
[ABOUT OUR BUSINESS TRANSFORMATION](#)

Email IRTransformation@ird.govt.nz for further information.

BUSINESS TRANSFORMATION

July 2021

Latest news about Inland Revenue's
transformation



Upcoming changes

For more than four years we've been transforming how we deliver services to make tax and social policy fit seamlessly into people's lives. This has included changes to policy, legislation and business processes, a new computer system, along with changes to the design and structure of our organisation.

We're now nearing the end and in October we'll deliver the final elements of our business transformation. The October release includes implementing new child support legislation, moving child support into our new system and upgrading to the latest version of myIR, along with some other tax and social policy changes.

We'll tell you more about these changes in the coming months, but if you'd like to learn more visit ird.govt.nz/business-transformation-2021.

Resurgence Support Payment

Following the COVID-19 alert level increase on 23 June, applications are now open for the Resurgence Support Payment (RSP).

The RSP is a payment to help support viable and ongoing businesses or organisations due to a COVID-19 alert level increase to level 2 or higher.

If your business or organisation is facing a reduction in revenue due to the recent alert level increase, you may be eligible for the RSP.

When the RSP is activated, eligible businesses and organisations can apply to receive the lesser of:

- \$1,500 plus \$400 per full-time equivalent (FTE) employee, up to a maximum of 50 FTEs
- four times (4x) the actual revenue decline experienced by the applicant.

You can apply through your myIR account or get your tax agent to apply on your behalf. Find out more at: ird.govt.nz/.../resurgence-support-payment

* Applications for the RSP open for eligible businesses and organisations 7 days after an alert level increase. Once applications open, they will remain open for one month after all of New Zealand returns

to alert level 1.

In addition to the RSP, there are other ways we can help. If your business is struggling due to COVID-19, send us a message in myIR or visit ird.govt.nz/covid-19 for more information.

Changes to child support legislation

In April this year, we introduced some amendments to legislation around child support penalties.

- We no longer charge monthly incremental late payment penalties.

Note: Any incremental penalties charged before 1 April 2021 will remain, but no further incremental penalties will be charged.

- We simplified the penalty write off rules:
 - to make it easier to write-off existing incremental and initial late payment penalties; and
 - change the treatment of initial late payment penalties to reduce the circumstances when they can be written off.



Further changes from the Child Support Amendment Bill will come into effect in October and November this year. These will include:

- further changes to late payment penalties
- compulsory employer deductions of child support from salary and wages (for newly liable and returning liable customers)
- a four-year time bar on child support reassessments and applying for administrative reviews
- offsetting amounts owed (when two parents owe each other)
- new grounds for exemptions, and allowing liable parents living overseas to apply
- changes to key age-related definitions
- new timeframes for applying for, and providing, parenting orders
- allowing customers 28 days to advise of existing circumstances after their first assessment

We'll provide you with more information on these changes in the upcoming months. There will also be further changes in April 2022. If you'd like to know more you can refer to [our website](#), the [Child Support Amendment bill](#) or our [tax policy website](#).

Payment options for overseas based customers

We now have a range of payment options available for overseas customers, these include:

- **Direct debit payments**

Overseas customers living in Australia, the United Kingdom, Europe (Single European Payments Area), Canada, and the United States can make one-off or ongoing direct debit payments through their myIR account.

This option will be available for child support payments when child support moves into our new system as part of our next release in October.

- **Money/telegraphic transfer**

Customers can make payments to us through money transfer sites. A number of these sites do not charge fees for making international payments to us.

- **Credit/debit card payments**

Customers can also make payments to us using a credit or debit card.

Please note: From October 2021 overseas customers who pay their student loan and child support obligations by credit or debit card will be charged the convenience fee of 1.42%. This fee has always been applied to card payments by child support and student loans customers within New Zealand. We absorbed the fee for overseas based student loans and child support customers while they had limited payment options.

For more information on the payment methods available visit: ird.govt.nz/managing-my-tax/make-a-payment/ways-of-paying

New default providers announced for KiwiSaver

In May, the Government [announced](#) new providers of KiwiSaver default funds as part of the KiwiSaver Default Provider Review.

From 1 December the providers will be BNZ, Booster, BT Funds (Westpac), KiwiWealth, Simplicity, Smartshares (NZX).

These changes only affect people in KiwiSaver who have not yet chosen their own KiwiSaver provider (default members).

You can find out who your KiwiSaver provider is by using myIR or SPK2IR (if you have your IRD number) but you will need to contact your KiwiSaver provider to confirm if you are a default member. Inland Revenue does not hold this information.

If you are a default member and are already with one of the above-named providers, you do not need to do anything. You will remain with your provider but your KiwiSaver savings will be moved to a balanced fund (from conservative) after 1 December. If you want to stay in a conservative fund for any reason, please contact your provider.

If you are a default member and are not with one of the above-named providers, you do not need to do anything. After 1 December you will automatically be transferred to one of the new providers - we will send you an info pack once you have been transferred. If you don't want to be moved for any reason, please contact your provider.

A [factsheet](#) on how the changes may affect KiwiSaver members is on our [website](#).

Webinars

We're kicking off a new series of webinars which will provide more detail on the changes you can expect to see in October. Our first webinars for businesses and employers; individuals and families; and intermediaries will be available on our webinar page (ird.govt.nz/bt-webinars) from 2 July. These webinars will provide an overview of the October changes.



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