



8 April 2024

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 24 March 2024. You requested the following:

Hello. I am trying to estimate the cost to employers if KS employer contributions were mandatory for employees under the age of 18. Can you tell me total PAYE revenue from employees under age 18. Can this be for the last three tax years. Cheers Trevor.

The information you have requested is outlined in **Table A**. The table outlines the amount of PAYE paid on behalf of employees under 18 years of age, with age calculated on 31 March of the relevant year, effectively up to and including 17 years of age.

As you have stated an interest in KiwiSaver, we have also released information on KiwiSaver employer contributions for employees under 18 years old. The table splits the employment PAYE tax on employees with employer contributions and those without in the first two rows which add to the total in the third row.

Due to the nature of your request, we have excluded PAYE relating to government transfers such as student allowance, income tested welfare benefits, and paid parental leave.

The PAYE amounts are of tax only; the ACC earner premium has been removed. The employer contribution figures displayed in the table are the net payments to employee savings after deduction of employer superannuation contributions tax.

Some employees may work for more than one employer within a tax year but only get contributions from one employer, in this case, their PAYE earnings are split between the first two rows so that only the PAYE from the contributing employer is shown in the first row.

The table shows information for the years ended 31 March 2021 through 31 March 2023. Data for 2023 is provisional and is subject to change. The data in the table was extracted from Inland Revenue systems on 2 April 2024.

Numbers are rounded to nearest \$1 million.

Table A

PAYE and net Employer contributions for employees under 18 years of age						
Year ended 31 March	2021		2022		2023	
	<i>PAYE (\$m)</i>	<i>Employer contribution (\$m)</i>	<i>PAYE (\$m)</i>	<i>Employer contribution (\$m)</i>	<i>PAYE (\$m)</i>	<i>Employer contribution (\$m)</i>
Employment with employer contributions	25	4	32	5	39	6
Employment without employer contributions	40	-	63	-	95	-
Total	65	4	95	5	134	6

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (www.ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, will be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you again for your request.

Yours sincerely



Sandra Watson

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