



21 February 2024

[Redacted]
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Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 23 January 2024. Your request is outlined in **Appendix A**.

Information being released

The information you have requested is outlined in **Appendix B**. Data provided in response to your first request is as at 15 February 2024. Data provided in response to your second request is as at 31 March of the years provided. Customer numbers, residual income tax (RIT) values and provisional tax obligations are based on filed returns and are subject to change as returns continue to be filed.

Taxpayers liable to pay over \$5,000 in residual income tax

The customers included in this data are any entities (individuals, companies, trusts, etc.) who have a residual income tax of over \$5,000 based on their income tax returns for 2022 and 2023, which would create a provisional tax obligation for them in the 2023 and 2024 tax years.

Customers that paid provisional tax late

The provisional tax information provided for those who made late payments or did not pay is based on all provisional tax assessments for the 2022 and 2023 tax years where there was any amount to pay. Customers included in this data had a provisional tax obligation in 2022 and 2023 because of their RIT value in the 2021 and 2022 tax years.

Tax agent definition

An active tax agent can be an individual or another kind of entity. To be considered an active tax agent, the individual or entity must have an active 'tax agent' indicator in Inland Revenue's system at that point in time. Counts have therefore been provided as at the end of each tax year (31 March). The filing of returns has not been used in determining tax agents because there are some filing methods where it is not possible to determine who has filed the return. The presence of the tax agent indicator is therefore more accurate, as tax agents must have at least 10 clients and meet filing requirements to retain their tax agent status. Where agency-to-agent links exist, Inland Revenue considers the overarching agency as the 'active tax agent', not the agents linked to it. Therefore, 'Total active tax agents' is the total agents with an active indicator minus the number of those agents who are linked to an overarching agency.

Agency to agent links

Inland Revenue no longer uses a structure of individual agents linked to agencies. Most agencies now operate under a single IRD number, which is considered the 'active tax agent'. Some agency-to-tax agent links still exist in Inland Revenue's systems, as outlined in **Appendix B**, but the number of agents with this structure is decreasing over time. Many agencies who had these links in the past have been moved to the new structure.

Sensitive revenue information

Some of the information you requested to be broken down by month is considered sensitive revenue information under section 18 of the Tax Administration Act 1994 (TAA) because it is reasonably capable of being used to identify a person or entity. Making the requested information available in the format requested would be contrary to the provisions of section 18 of the TAA. Disclosure of this information does not fall within any of the exceptions to the confidentiality obligation listed in sections 18D to 18J of the TAA; therefore, the information has been grouped in the tables provided in **Appendix B** to maintain confidentiality.

Right of review

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: CommissionersCorrespondence@ird.govt.nz.

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

If you choose to have an internal review, you can still ask the Ombudsman for a review.

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 for your request.

Yours sincerely



Andrew Stott

Community Compliance Leader

Appendix A

Request 1: Provisional tax & taxpayer data

We would like:

1. The total count of taxpayers per year that were liable to pay over \$5,000 in Residual Income Tax based on their 2022 and 2023 income tax returns.
2. The percentage of provisional tax taxpayers per year that paid their provisional tax late during the 2022 and 2023 income year.

We would like the data in the following formats:

3. Summary format: just the totals (counts and %) per income year.
4. Detailed format: broken down per income year and by the following criterion:
 - a. Balance date
 - b. Terminal tax date (extension of time)
 - c. Income tax method e.g., Standard uplift/Estimate etc.
 - d. ANZSIC industry code/name (top level ANZSIC code, Division, is sufficient)
 - e. Total amount of Residual Income Tax they were liable to pay, delineated by bands according to the following break points: < \$60,000, \$60,000 - \$100,000, \$100,000 - \$250,000, \$250,000 - \$500,000, \$500,000 - \$1,000,000, \$1,000,000 or more
 - f. Percentage of taxpayers that paid late for each provisional tax instalment number e.g., a percentage of March balance date taxpayers that paid late for instalment 1, 2 etc.
 - g. Percentage of taxpayers that have a tax pooling indicator noted on their record

Request 2: Tax agent data

We would like the following data per year for the 2022 and 2023 income years:

5. Count of active tax agents (an "active tax agent" would be an agent who has filed tax with IRD on behalf of a client for that income year)
6. Count of active tax firms (an "active tax firm" is any tax firm that has an active tax agent linked to it)
7. Count of active tax agents not linked to a tax firm (an "active tax agent not linked to a tax firm" would be an agent who has filed tax with IRD on behalf of a client for that income year but is not linked to a tax firm id)

Appendix B

Taxpayers liable to pay more than \$5,000 in residual income tax for the 2022 and 2023 income tax years

Tax year	Method	Customers	Percentage
2022	AIM	1,256	0.44%
	EST	18,967	6.63%
	RATIO	1,210	0.42%
	STD	264,679	92.51%
	Total	286,112	100%
2023*	AIM	1,072	0.49%
	EST	18,084	8.29%
	RATIO	801	0.37%
	STD	198,168	90.85%
	Total	218,125	100%

Taxpayers liable to pay more than \$5,000 in residual income tax for the 2022 and 2023 income tax years, by balance date

Balance date	2022	2023*
January	137	104
February	287	239
March	252,997	198,911
April	139	97
May	14,973	8,954
June	14,110	7,626
July	430	174
August	206	84
September	352	108
October	165	152
November	75	71
December	2,241	1,605
Total	286,112	218,125

*values subject to change

Taxpayers liable to pay more than \$5,000 in residual income tax for the 2022 and 2023 income tax years, by terminal tax date

Tax year	Terminal tax due date ¹	Number of taxpayers
2022	September-November 2022	232
	December 2022	78
	January 2023	2,139
	February 2023	23,491
	March 2023	223
	April 2023	259,949
	Total	286,112
2023*	September-November 2023	200
	December 2023	75
	January 2024	1,601
	February 2024	21,570
	March 2024	168
	April 2024	194,511
	Total	218,125

*values subject to change

¹ September to November information is grouped to maintain confidentiality.

Taxpayers liable to pay more than \$5,000 in residual income tax for the 2022 and 2023 income tax years, by industry

Industry	2022	2023*
Accommodation and Food Services	5,363	4,124
Administrative and Support Services	8,282	6,793
Agriculture, Forestry and Fishing	32,329	20,525
Arts and Recreation Services	2,906	2,353
Construction	26,793	21,650
Education and Training	2,716	2,315
Electricity, Gas, Water and Waste Services	521	386
Financial and Insurance Services	7,440	5,223
Health Care and Social Assistance	14,400	11,636
Information Media and Telecommunications	2,102	1,827
Manufacturing	8,673	6,770
Mining	248	178
Other Services	8,027	6,448
Professional, Scientific and Technical Services	32,810	27,384
Public Administration and Safety	538	464
Rental, Hiring and Real Estate Services	33,388	24,561
Retail Trade	9,356	6,548
Transport, Postal and Warehousing	5,540	4,274
Unknown	79,161	60,713
Wholesale Trade	5,519	3,953
Total	286,112	218,125

*values subject to change

Taxpayers liable to pay more than \$5,000 in residual income tax for the 2022 and 2023 income tax years, by residual income tax (RIT) value

Tax year	RIT value	Number of taxpayers	% of total
2022	under 60k	240,416	84.03%
	60k to 100k	18,205	6.36%
	100k to 250k	17,257	6.03%
	250k to 500k	5,763	2.01%
	500k to 1m	2,578	0.90%
	>1m	1,893	0.66%
	Total		286,112
2023*	under 60k	187,270	85.85%
	60k to 100k	13,185	6.04%
	100k to 250k	11,646	5.34%
	250k to 500k	3,624	1.66%
	500k to 1m	1,490	0.68%
	>1m	910	0.42%
	Total		218,125

Taxpayers liable to pay more than \$5,000 in residual income tax for the 2022 and 2023 income tax years, by tax pooling indicator²

Tax year	Method	Customers	With tax pooling	% of total
2022	AIM	1,256	141	0.05%
	Estimation	18,967	2,859	1.00%
	Ration	1,210	181	0.06%
	Standard	264,679	65,243	22.80%
	Total		286,112	68,424
2023*	AIM	1,072	111	0.05%
	Estimation	18,084	2,137	0.98%
	Ratio	801	117	0.05%
	Standard	198,168	39,856	18.27%
	Total		218,125	42,221

*values subject to change

² The tax pooling indicator shows when a customer enters a contract with the tax pool, rather than the tax year the deal was for.

Provisional tax customers that paid their provisional tax late during the 2022 and 2023 income tax years, by instalment

Tax year	Instalment	Assessments	Paid late or unpaid	% Paid late or unpaid
2022	Instalment 1	160,256	35,073	22%
	Instalment 2	170,248	36,602	21%
	Instalment 3	214,008	46,620	22%
	Other	17,273	2,526	15%
	Total	561,785	120,821	22%
2023*	Instalment 1	196,777	46,876	24%
	Instalment 2	221,628	56,426	25%
	Instalment 3	296,538	84,803	29%
	Other	41,011	7,590	19%
	Total	755,954	195,695	26%

**values subject to change*

Note:

This table includes the three main provisional tax payment due dates as well as an 'other' category. This category mostly includes customers using the AIM and ratio methods, as the due dates are aligned to business activity rather than the standard instalment dates. There are also a small number of customers who had non-standard instalment dates when they were using the standard and estimation method. This was due to changing their provisional method during the year.

Provisional tax customers that paid their provisional tax late during the 2022 and 2023 income tax years, by balance date

Tax year	Balance date ³	Assessments	Paid late or unpaid	% Paid late or unpaid
2022	March	499,412	113,606	23%
	May	27,294	3,417	13%
	June	26,276	2,823	11%
	December	4,655	568	12%
	Other	4,148	407	10%
	Total		561,785	120,821
2023*	March	670,251	178,514	27%
	May	38,519	7,542	20%
	June	36,516	6,978	19%
	December	5,686	1,605	28%
	Other	4,982	1,056	21%
	Total		755,954	195,695

Provisional tax customers that paid their provisional tax late during the 2022 and 2023 income tax years, by filing method

Tax year	Method	Assessments	Paid late or unpaid	% Paid late or unpaid
2022	Standard	520,133	109,410	21%
	Estimation	26,959	9,440	35%
	AIM	8,961	1,402	16%
	Ratio	5,732	569	10%
	Total		561,785	120,821
2023*	Standard	699,967	180,451	26%
	Estimation	38,647	12,840	33%
	AIM	11,269	1,788	16%
	Ratio	6,071	616	10%
	Total		755,954	195,695

*values subject to change

³ Balance date breakdowns are provided for March, May, June, and December. All other balance dates have been grouped together and provided as one category to maintain confidentiality.

Provisional tax customers that paid their provisional tax late during the 2022 income tax year, by industry

Industry	Total Assessments due	Paid late or unpaid	% Paid late or unpaid
Accommodation and Food Services	9,670	2,486	26%
Administrative and Support Services	15,711	4,083	26%
Agriculture, Forestry and Fishing	55,845	8,015	14%
Arts and Recreation Services	5,150	1,330	26%
Construction	55,749	15,418	28%
Education and Training	5,032	1,291	26%
Electricity, Gas, Water and Waste Services	1,089	242	22%
Financial and Insurance Services	15,620	2,520	16%
Health Care and Social Assistance	27,023	4,683	17%
Information Media and Telecommunications	3,727	1,041	28%
Manufacturing	18,128	3,518	19%
Mining	522	64	12%
Other Services	16,124	4,351	27%
Professional, Scientific and Technical Services	61,545	12,020	20%
Public Administration and Safety	1,073	263	25%
Rental, Hiring and Real Estate Services	66,866	10,789	16%
Retail Trade	19,180	3,847	20%
Transport, Postal and Warehousing	10,866	4,111	38%
Wholesale Trade	11,937	1,893	16%
Unknown	160,928	38,856	24%
Total	561,785	120,821	22%

Provisional tax customers that paid their provisional tax late during the 2023* income tax year, by industry

Industry	Total Assessments due	Paid late or unpaid	% Paid late or unpaid
Accommodation and Food Services	13,813	4,212	30%
Administrative and Support Services	22,136	6,323	29%
Agriculture, Forestry and Fishing	79,425	15,116	19%
Arts and Recreation Services	7,378	2,128	29%
Construction	73,805	23,727	32%
Education and Training	6,830	1,877	27%
Electricity, Gas, Water and Waste Services	1,398	409	29%
Financial and Insurance Services	20,055	4,973	25%
Health Care and Social Assistance	36,144	7,290	20%
Information Media and Telecommunications	5,443	1,686	31%
Manufacturing	23,477	5,804	25%
Mining	667	216	32%
Other Services	21,300	6,320	30%
Professional, Scientific and Technical Services	84,715	20,503	24%
Public Administration and Safety	1,538	442	29%
Rental, Hiring and Real Estate Services	85,151	17,949	21%
Retail Trade	24,823	7,118	29%
Transport, Postal and Warehousing	14,744	6,332	43%
Wholesale Trade	15,099	3,771	25%
Unknown	218,013	59,499	27%
Total	755,954	195,695	26%

**values subject to change*

Provisional tax customers that paid their provisional tax late during the 2022 and 2023 income tax years, by assessment group

Tax year	Assessment group	Total Assessments due	Paid late or unpaid	% Paid late or unpaid
2022	Under 5k	14,104	6,513	46%
	5k to 60k	471,787	106,255	23%
	60k to 100k	31,543	3,924	12%
	100k to 250k	28,659	2,870	10%
	250k to 500k	8,830	722	8%
	500k to 1m	3,718	297	8%
	over 1m	3,144	240	8%
	Total		561,785	120,821
2023*	Under 5k	12,887	3,432	27%
	5k to 60k	637,304	165,335	26%
	60k to 100k	43,040	9,646	22%
	100k to 250k	39,643	9,654	24%
	250k to 500k	12,831	3,438	27%
	500k to 1m	5,614	1,798	32%
	over 1m	4,635	2,392	52%
	Total		755,954	195,695

**values subject to change*

Provisional tax customers that paid their provisional tax late during the 2022 and 2023 income tax years, by tax pool indicator

Tax year	Indicator⁴	Total assessments due	Paid late or unpaid	% Paid late or unpaid
2022	Tax pool indicator	109,461	19,072	17%
	No tax pool indicator	452,324	101,749	22%
	Total	561,785	120,821	22%
2023*	Tax pool indicator	129,249	48,125	37%
	No tax pool indicator	626,705	147,570	24%
	Total	755,954	195,695	26%

**values subject to change*

⁴ Tax pool indicator is based on whether there is an active tax pool indicator applied to the customer for the tax year shown.

Active tax agents as at 31 March

	2021	2022	2023
Total agents with active 'tax agent' indicator	5663	5705	5697
Total agents with active link to an agency	305	261	243
Total active tax agents	5358	5444	5454

Count of agency-to-agent links as at 31 March

	2021	2022	2023
Total agencies with active link/s to agents	197	183	172

Count of active tax agents as at 31 March, by entity type

Entity Type	2021	2022	2023
Individual	1798	1771	1744
Company	3301	3425	3475
Partnership	229	219	206
Other ⁵	30	29	29
Total⁶	5358	5444	5454

⁵ 'Other' entity type includes any entities that are not individuals, companies or partnerships. These have been grouped to maintain confidentiality.

⁶ The population for this table is the 'Total active tax agents' from the table of active agents.