



3 May 2024

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 5 April 2024. You requested the following:

*Can you please provide for the 2022/23 and 2023/24 financial years, the number of times that the \$250 penalty has been imposed on employers for filing their Employee Information (EI) and/or Employee Details (ED) payroll information late (more than 2 days after wages/salaries have been paid). I would like this information broken down by the number of times the penalty has been imposed on individual employers for each of the financial years requested E.g.: 10 times – xxx number of employers 5 times – xxx number of employers 4 times – xxx number of employers, and so forth I would also like to know: * the total sum of the penalties imposed (split between original penalty, and any subsequent default interest penalties) * the amount still to be paid for each of the two financial years requested (ideally being split as above between original penalty and any subsequent default interest penalties) * the total amount that has been written off, forgiven, or reversed (irrespective of the reason for such action – ideally split as noted above).*

The value of a late filing penalty for the late filing of an Employment Information (EI) is the greater of \$250, or \$1 per employee employed at any time during that month. Late payment penalties are not applied specifically to an unpaid late filing penalty, but use of money interest is applied to unpaid amounts.

The interest values provided are the use of money interest that was directly charged to the unpaid balance of the late filing penalty, excluding interest applied for other purposes, for example unpaid PAYE.

Any penalties that have been reversed are not included in the information provided. It is important to note the distinction between a write off / remission and a reversal of a penalty. A write off / remission is applied to grant relief to correctly applied penalties, whereas a reversal is the removal of a penalty that has been incorrectly charged.

The table below outlines the number of entities that have received late filing penalties (LFPs) due to filing their EI or Employee Details (ED) late, for both the 2023 and 2024 financial years. As the 2024 financial year is still in progress, the data provided for this year spans 1 July 2023 through 29 April 2024.

# of LFPs	2023	2024
1	7,735	7,768
2	2,993	3,053
3	1,367	1,394
4	782	826
5	507	507
6	339	330
7	249	287
8	197	214
9	161	194
10	134	129
11+	214	187
Total:	14,678	14,889

The following table outlines for the 2023 and 2024 financial years, the total number of penalties applied, the sum of penalties imposed, and any subsequent interest applied to that penalty. Further to this, the dollar value of penalties written off, paid, and yet to be paid. As with the previous table, because the 2024 financial year is still in progress, the data reported spans 1 July 2023 through 29 April 2024.

Values	2023	2024
Total penalties charged (count)	39,236	36,682
Total penalties charged (\$)	9,242,012	9,430,840
Total interest charged (\$)	329,325	208,572
Total value of write-offs/remissions (\$)	-1,514,071	-1,022,451
Total value of payments / credits (\$)	-5,438,843	-4,682,534
Current balance remaining to be paid (\$)	2,618,422	3,934,428

Inland Revenue systems do not collate financial information in such a way that captures the proportion of unpaid amounts relating to assessments, penalties, and interest. As such, the part of your request seeking what comprises the total amount unpaid is refused under section 18(g) of the OIA, as the information you have requested is not held by Inland Revenue, nor do I have reason to believe it is held by another agency.

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, may 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



Julia Hodge

Domain Principal – Performance and Reporting