

WHAT TO DO WITH THIS LETTER

Your working for families tax credits letter shows the family details we hold for you. It's important we have your correct details so we can work out your full entitlement.

- **Check** your details are correct.
- **Make** any changes on this letter and send it back to us with your IR 3 return, or call us on the number at the top of the letter.
- **No changes.** Keep this letter for your own records.

If you have any questions call us on the number at the top of the letter. Free calling doesn't apply to mobile or international calls.

HOW WE WORK OUT YOUR ENTITLEMENT

The amount of working for families tax credits (WFFTC) you receive is called your entitlement. We work out your entitlement using your family details and income. If you had a spouse or partner living with you at any time during the last tax year (1 April to 31 March), we need both you and your spouse or partner's income to work out your entitlement. We use information supplied by you and/or your spouse or partner and employment information we receive from employers and payers (eg, Work and Income) to calculate and pay your WFFTC. To do this, we may disclose your personal income information to your spouse or partner and your spouse or partner's information to you. You can ask to see the information we hold about you and ask that any incorrect information be corrected.

A spouse or partner means a husband, wife, civil union or de facto partner you lived with at any time during the tax year.

WHEN YOU WILL FIND OUT YOUR ENTITLEMENT

- We'll work out your entitlement using the income from both you and your spouse or partner's IR 3 returns or personal tax summaries, and the details you give us on this letter.
- If you and your spouse or partner both file IR 3 returns, we'll let you know your entitlement once we've processed both your returns.

Children's details

WFFTC is paid up to the earlier of:

- the end of the calendar year (31 December) the child turns 18 in, or
- the date the child stops depending on you for financial support.

Your letter shows the details of children who are financially dependent on you, who you have told us about. These details are listed with the youngest child first. You need to tell us if you have any children under your care who aren't on this list, and any children on this list who aren't under your care.

Children's IRD numbers

You need to provide an IRD number for any child(ren) you're claiming WFFTC for, so we can correctly calculate your entitlement.

You can get a copy of our *IRD number application – Individual (IR 595)* form for your child(ren) from www.ird.govt.nz or by calling INFOexpress on 0800 257 773. Remember to have your IRD number handy.

Shared care

When you share the care of a child, eg, with an ex-spouse or ex-partner, you can claim WFFTC for that child if the arrangement is intended to be in place for four months or more. You need to have the child in your care on average, at least one-third of the time. Over the year this is 122 days or 5 days every fortnight.

If you share the care of a child for the equivalent of more than nine days per fortnight, you'll receive the full entitlement. If you share the care of a child for the equivalent of less than 5 days each fortnight, you won't receive any entitlement. These situations aren't shared care for WFFTC so the arrangement won't show on the letter.

If you qualify for parental tax credit, you'll receive it if you had care of the child for at least 19 of the first 56 days following the child's birth.

If you want to discuss your care arrangements or are unsure if you're entitled to parental tax credit please call us on the freephone number on the top of the letter.

Spouse or partner details

To work out your entitlement for WFFTC, we use your family's income. So, it's important to make sure we have the following information:

- your spouse or partner's name
- your spouse or partner's IRD number
- whether you started or stopped living with a spouse or partner during the last tax year (1 April to 31 March). Check the start and stop dates we have are correct.

You need to tell us if any spouse or partner isn't listed.

Compensation received through an employer

When an employer continues paying an employee who is off work because of an accident or injury, it's called compensation.

You need to tell us if you or your spouse or partner was off work for **three months or longer** as it will affect your entitlement to child tax credit and/or parental tax credit.

In-work tax credit (IWTC)

IWTC is for families who normally work a minimum number of hours each week, as follows:

- a two-parent family where one or both parents between them normally work 30 or more hours a week
- a single parent normally working 20 hours or more a week.

Provided the working hours condition is met, IWTC is also available when parents are self-employed, receiving NZ Super or a veteran's pension. It's not available to families receiving an income-tested benefit or student allowance.

People receiving paid parental leave or parental tax credit may also qualify for IWTC provided they worked the required hours before taking parental leave.

IWTC is available if you or your spouse or partner would normally work the required hours, but are injured and receiving accident compensation for an accident that happened after 31 December 2005.

Only IWTC can be paid for children you receive an unsupported child's benefit, orphan's benefit or foster care allowance for.

Minimum family tax credit (MFTC)

MFTC is paid to families whose family income is less than \$24,493.

In a single-parent family, this is where the parent worked for salary or wages (including income earned from schedular payments* and/or by IR 56 taxpayers) for at least 20 hours a week, or would normally work the required weekly hours but is receiving accident compensation payment instead.

In a two-parent family, this is where one or both parents worked for salary and wages (including income earned from schedular payments and/or by IR 56 taxpayers) for at least 30 hours a week in total, or would normally work the required weekly hours, but are receiving accident compensation payments instead.

Business income dates

Business income is income from self-employment, partnership, schedular payments, rents or income received as a shareholder-employee. We need the dates you received business income to calculate your entitlement correctly.

NON-TAXABLE PAYMENTS AND INCOME

Child support paid or received

Child support is paid through Inland Revenue. The amounts shown on the letter are the amounts you've paid or received as shown in our records.

Private maintenance paid or received

Child maintenance is a private arrangement with your ex-spouse or partner. You need to tell us if you or your spouse or partner received or paid this type of income and it's not shown on the letter.

Business credit or business debit adjustments

As you file an IR 3 return you may also need to complete the enclosed *Adjusting your business income for working for families tax credits (IR 215)* form, to calculate any business adjustments.

If your spouse or partner also files an IR 3 they may have business adjustments that need to be included. We explain how to make business adjustments on the IR 215.

You need to tell us if all your adjustments are not shown on the letter.

www.ird.govt.nz

Visit our website www.ird.govt.nz for services and information. Go to:

Get it done online to file returns, register for services and access account information

Work it out to calculate tax, entitlements, repayments and due dates.

You can also check out our newsletters and bulletins, and have your say on items for public consultation.

Privacy

Meeting your tax obligations involves giving accurate information to Inland Revenue. We ask you for information so we can assess your liabilities and entitlements under the Acts we administer.

You must, by law, give us this information. Penalties may apply if you do not.

We may exchange information about you with the Ministry of Social Development, Ministry of Justice, Department of Labour, Ministry of Education, New Zealand Customs Service, Accident Compensation Corporation or their contracted agencies. Information may be provided to overseas countries with which New Zealand has an information supply agreement. Inland Revenue also has an agreement to supply information to Statistics New Zealand for statistical purposes only.

You may ask to see the personal information we hold about you by calling us on 0800 377 774. Unless we have a lawful reason for withholding the information, we will show it to you and correct any errors.

How to contact us

We're available from 8 am to 8 pm Monday to Friday and 9 am to 1 pm Saturday on the following numbers. Have your IRD number with you when you call.

Employer enquiries	0800 377 772
General business tax enquiries	0800 377 774
Overdue returns	0800 377 771
Payment options for overdue tax	0800 377 771
Refunds and tax credits	0800 377 774

Customer service quality monitoring

As part of our commitment to providing the best possible service to our customers, Inland Revenue records all phone calls answered in, and made by, our permanent call centres. For further information about our call recording policy and how you can access your recorded information, please go to www.ird.govt.nz or call us on 0800 227 774 (or 0800 377 774 for business customers).

If you have a complaint about our service

We're committed to providing you with good service. If there's a problem, we'd like to know about it and have the opportunity to fix it.

If you have a complaint, the quickest and easiest way to resolve it is usually with the staff member you've been dealing with. If you're not satisfied, ask to speak to their manager.

If you're still not satisfied, our Complaints Management Service can take a fresh look at your complaint. You can go to www.ird.govt.nz call us on 0800 274 138 between 8 am and 5 pm weekdays, or put your complaint in writing and send it to:

Complaints Management Service
Inland Revenue
PO Box 1072
Wellington 6140

If you disagree with how your tax has been assessed, you may need to follow a formal disputes process. For more information, read our factsheet, *If you disagree with an assessment (IR 778)*.

* Formerly withholding payments