



Customer Impact Assessment and Change Management Plan for BT Stage 4 START Delivery

Version	Date	Author
V1.0	22/04/21	OCMT Change Management team

Context and introduction

Business Transformation Stage 4

Stage 4 is organised in workstreams: START Delivery; Technology Landscape Optimisation (TLO) which includes Decommissioning and Archiving; Intelligence Led which includes Information Knowledge Management; Enterprise Support Services; and Transition and Business Integration.

Stage 4 Workstream 1 (START Delivery) focuses on:

- Core completion - transferring the remaining tax and social policy products into START over two releases
- Implementing new legislation, including support for the government's ongoing COVID-19 response
- Optimising already delivered products where there is clear and quantifiable benefit to do so (subject to prioritisation by the business).

Impact assessments for START Delivery (Core Completion)

- This high-level impact assessment (drop 3 of 3) provides early indicative impact ratings for our customers and people based on known product scope for core completion of **Release 2** as at 26 February 2021. It will be updated when other scope is confirmed and will remain high level and indicative-only.
- This impact assessment for Release 2 and other scope (S4.1.R2 Other) describes the changes and change impacts of design decisions and configuration; and has been prepared for base configuration verification, tactical planning and benefit planning workshops, and leadership and team engagement over March-May 2021.
- The drop 3 impact assessment and change plan for S4.1.R2 and S4.1.R2 Other will be a formal deliverable to the Portfolio Governance Committee (PGC) in April 2021 and will include the change approach and plan for ensuring our customers and people are ready and supported.
- Impacts for other initiatives will be reported in separate change plans – such as ongoing Covid-19 support, optimisation, annual changes and other initiatives not in scope.



Stage 4 Scope

RELEASE 2: OCTOBER 2021



Child Support

Child Support will move into START.

- Information sharing with other government agencies will be improved.
- There will be better online services and self-management tools.
- Processing will be streamlined with less manual involvement from IR.
- Transactional processes, like employer deductions, will be automated.
- International Child Support will be better integrated into IR's core systems

Legislation changes are due to come into effect on 1 April 2021 and October 2021.



Tax on Income

- All residual payments will move into START including:
 - Conscience Money
 - Excess Cash
 - Interest on Bankruptcy
 - Misappropriated Cheque
 - Reparation payment
 - Unidentified Receipts
- Other changes include:
 - Accepting negative adjustments for PAYE
 - A single IRD number for bankruptcy
 - Continuing to allow stationery requests
 - Long term barcode solution



Version 12 Upgrade

START will be upgraded to version 12. This includes:

- A responsive design and new colour scheme
- Statistical tracking that is user configured
- Analytical capability to support Collections, Audit, Cases and Returns functions.
- New role-based security

Upgrade myIR to version 12

- Responsive design and styling (screen fit to size) and a flatter navigational structure will result in an enhanced customer experience.
- Account Panels will be customisable providing customers with more useful information and quick access to their frequently used features.
- The Action Centre will be consolidated and alerts will be replaced by quick access to calls to action.



Data

- For new products, data quality will be improved at source, or on initial receipt.
- IR will promote a culture of treating data as an asset.
- Automation tool decommission – process replacement



Digital Services

DIGITAL ECOSYSTEM SERVICES

This includes for S4.1.R2 products:

[Information redacted]

DIGITAL CUSTOMER SERVICES

This includes:

- Delivering the generic Gateway Services catalogue, including adoption by pilot partners
- Improving ecosystem data quality
- Delivering improvements to existing services based on customer and IR needs.



START Archive

- We will design and Implement the START Archive solution.



Stage 4 Scope

STAGE 4: Further improvements



KiwiSaver

- KiwiSaver default provider review



Child Support

- Child support online application – combined application with [Information redacted].
- Charge overseas based customers credit card convenience fees for credit card transactions (potential to impact student loan customers).



Digital Services (Other)

DIGITAL ECOSYSTEM SERVICES

- New gateway services for income tax, GST and Donation Tax Credits with software providers for intermediaries, to replace E-File.
- New gateway services for KiwiSaver providers.
- V2 gateway services for Employment Information via payroll software will become mandatory.
- Remove employment income version 2 (payday filing) exemption.



Data

Changes will include:

- Final eCase data will be moved into START (internal impact only).

Customer impact assessment summary

This impact assessment focuses on S4.1.R2 and some S4.1.R2 Other scope items. This release impacts all customers across our customer segments to some degree but it varies depending on the product and type of change. As expected with the final stage of transformation, the impact for customers overall is reducing.

Release 2 focuses on moving Child Support into START impacting our Families customers and upgrading myIR to version 12 that impacts all customer segments to varying degrees.

Most customers don't need to do anything specifically to prepare themselves for changes prior to go live with the exception of some of our business partners and employers. However, all our customers need to understand the changes so when they interact with Inland Revenue there are no surprises. For example, our child support customers will need to understand what services they can access digitally should they need them in the future. Customers with myIR accounts will need to be aware of myIR upgrade to version 12, in particular our intermediaries will need tailored support and messaging to navigate some of the more significant changes.

The Customer Impact

- In general, a **Medium** impact is expected across many customer groups, with many **Low** pockets and one pocket of **High** for intermediaries V12 upgrade (although we expect this to decrease when the design is finalised).
- Most changes should be received positively (or at least neutral) and there are no very high impacts identified so far. However, most customers will need support to understand the changes before and after go live. The level of support and timing will be dependent on the nature of the change, business events requiring a call to action and customer changes that may trigger an interaction with Inland Revenue. For many customers the v12 myIR upgrade may trigger an "initial" reaction that things look a bit different and as they notice navigation changes but this should be negated quickly as they acclimatise, much like similar modern web application upgrades. Our customers who use myIR more frequently (generally business customers and intermediaries) may need additional support to understand there is no change to functionality as they have more engrained pathway habits that will need to change.
- Other scope items includes further changes for intermediaries, software and payroll developers, some government agencies, some financial institutions, KiwiSaver providers, employers and some individual customers including amendments to interfaces, upgrades to payroll software, upgrades to SPK2IR, credit card payment changes and bankruptcy process improvements. Employers will need to know about when they can include a negative adjustment on Employment Information file, version 2 changes and timeframe.
- Some of the changes only impact smaller subgroups of our customer segments and are dependent on specific circumstances (i.e. bankruptcy, arrears payments) . Many of the other scope changes are about improving Inland Revenues administration processes, therefore customers will not necessarily have visibility of the changes.

Customer impact assessment summary

The more highly impacted customer segments are:

Individuals – Families/High Wealth Individuals – child support customers are impacted and require awareness of the changes including better visibility of child support obligations and payments in myIR (including v12 changes) and improved self-management services (i.e. registrations, cancellations administrative reviews etc), the introduction of compulsory employer deductions for paying parents, changes to penalty application and statement of account re-design, ratification of the Hague Convention, streamlined processing of employer deductions and payments and other legislative changes. All customers regardless of their role will be impacted in some way by child support changes, but many existing customers will not need to do anything differently prior to or after go live. They will need reassurance and support to understand the changes so they are aware of and can navigate the changes as and when their circumstances require them.

Intermediaries – require awareness of all changes to support their customers. The v12 myIR upgrade impacts intermediaries, in particular tax agents significantly and they will need to be aware of and understand what the changes are – fresh look and feel, changes to navigation (new simplified 'hub and spoke' model), how calls to action are presented, how summary views and balances are displayed all without loss of functionality.

A new Intermediary centre will replace access to the functions/links currently within the Tax Preparer tab. Here they can access the new Action Centre; a centralised view of alerts for all clients they are subscribed to. These will be sorted by customer, account, and due date, and can be filtered. The Tax Agent workspace will be retired and instead access to clients will be through a client search screen or through the use of the favourites functionality. This is a further change that intermediaries will need understand and adjust to.

Business/Employers – employers are impacted by child support compulsory deductions, version 2 payday filing upgrade and negative PAYE adjustments. They need to understand when compulsory employer deductions start, how they will be notified and if they need to adjust their business processes. Many businesses/employers are frequent myIR users and they will be impacted by the v12 upgrade although this is expected to reduce quickly as customers become used to the new features. Significant Enterprises with complex needs with multiple profiles and accounts will be impacted by the v12 upgrade. Customers will see improvements, have quick access to alerts/balances, have greater visibility of multiple customers and find it easier to access information. Customers will need support to understand the changes with minimum disruption to their business and interactions with Inland Revenue.

Business Partners – some government agencies and overseas based agencies are impacted by child support changes and other scope items. A new service portal for [Information redacted] will enable them to apply for child support and view overpayments. The multi payment option will be available in their myIR account. [Information redacted] countries will be impacted by international child support changes but there will be no major changes to existing channels and processes to receive and send files. Some financial institutions are impacted by improvements to interfaces but the impact is estimated to be low. Payroll developers must ensure their employment information software is upgraded to version 2, so that employers can continue to file via GWS and file upload. Our business partners will need support to navigate these changes.



Customer Change

Detailed customer heatmap

The heat-map below provides a high level view of the customer impacts based on known START Delivery Stage 4 - Release 2 scope and design as at 31 March 2021.

Scope Item	Feature	Individuals			Business			Intermediaries					Business Partners						Very High	The cumulative effect of changes already rated as high impact, represents a very high or extreme risk according to the Enterprise Risk Rating tool.		
		Individuals	Families	High Wealth Individuals	Micro	Not for Profits	Small-Medium Enterprises	Significant Enterprise	Tax Agent	Bookkeeper	Nominated Person	Payroll Intermediary	Tax Pool Intermediary	Advocacy Group	KiwiSaver Provider	Other Gov't Agencies	Overseas Agencies	Service Provider / Financial Institution			Software Developer	
Child Support																				High	Completely new: <ul style="list-style-type: none">Customer related policy, legislation, products, processes, procedures, systemsCapabilities and skills, ways of working, culture / behavioural shift.Major disruption to customers and/or business activity could result.	
	Administer in START																					
	Customer on-boarding (education & registration)																					
	Enhanced self-service / digital experience																					
	International child support																					
	Objections and reviews																					
	Compliance activities																					
	Payments																					
	Disbursements																					
	Cross-agency info sharing / exchange																					
	Discoveries																					
	Reporting																					
START/eServices v12 Upgrade																				Med	Many changes to: <ul style="list-style-type: none">Customer related policy, legislation, products, processes, procedures, systemsCapabilities and skills, ways of working, culture shift.Some disruption to customers and/or business activity could result.	
	External (myIR) user experience (look/feel)																					
	New myIR / unauthenticated functionality																					
	Change to existing myIR functionality																					
R2-Other																				Low	Some changes to: <ul style="list-style-type: none">Customer related policy, legislation, products, processes, procedures, systemsCapabilities and skills, ways of working, culture shift.Minor disruption to customers and/or business activity could result.	
	Administer in START																					
	Enhanced self-service / digital experience																					
	Compliance activities																					
	Payments																					
	Disbursements																					
	Cross-agency info sharing / exchange																					
Ratings are subject to change. Customer impacts are still being identified and are yet to be validated and moderated within BT and with the wider business.																					Neg	Negligible or No Change.

Ratings are subject to change. Customer impacts are still being identified and are yet to be validated and moderated within BT and with the wider business.

Customer comparison to previous releases

A comparison across previous releases shows a peak during START Release 3 in the impact rating across customer segments. START Delivery Stage 4 – Release 2 and Other release impacts Families customers and continues to impact intermediaries, businesses, employers and software and payroll developers but is overall reducing across all customer segments.

Customer Groups by release								
Release	Stage 1 *		Release 2		Release 3		Release 4	
Customer Group	Impacted sub-segments	Impact rating	Impacted sub-segments	Impact rating	Impacted sub-segments	Impact rating	Impacted sub-segments	Impact rating
Businesses	Micro (incl. sole traders and self-employed customers), Small and Medium Enterprises, Significant Enterprises, Not For Profits	Medium - High	Micro (incl. sole traders and self-employed customers), Small and Medium Enterprises, Significant Enterprises, Not For Profits	Medium	Micro (incl. sole traders and self-employed customers), Small and Medium Enterprises, Significant Enterprises, Not For Profits	High	Micro (incl. sole traders and self-employed customers), Small and Medium Enterprises, Significant Enterprises, Not For Profits	Medium - High
Individuals					Individuals, Families, High Net Worth Individuals	Very High	Individuals, Families, High Net Worth Individuals	Medium
Intermediaries	Tax Agents, Bookkeepers, Nominated Persons	Medium - High	Tax Agents, Bookkeepers, Nominated Persons, Payroll Intermediaries	High	Tax Agents, Bookkeepers, Nominated Persons, Payroll Intermediaries, Tax Pooling Intermediaries	High	Tax Agents, Bookkeepers, Nominated Persons	Medium
Business partners	Software Developers	Medium	Software Developers, Overseas Agencies, Service Providers, Financial Institutions	High	Software Developers, Overseas Agencies, Service Providers, Financial Institutions	High	Software Developers, Overseas Agencies, Service Providers, Financial Institutions, KiwiSaver Providers, Other Government Agencies	High

Stage 4 START Delivery		
Impacted sub-segments	Impact rating R1 & Other	Impact rating R2 & Other
Micro (incl. sole traders and self-employed customers), Small and Medium Enterprises, Significant Enterprises, Not For Profits	Low - Medium	Low - Medium
Individuals, Families, High Net Worth Individuals	Low - Medium	Low - Medium
Tax Agents, Bookkeepers, Nominated Persons	Low - Medium	Low - Medium
Software/Payroll Developers, Overseas Agencies, Service Providers, Financial Institutions, KiwiSaver Providers, Other Government Agencies	Medium - High	Low - Medium

**In Stage 1 the customer impact assessment did not use these four customer groupings, therefore the impact ratings have been retro-fitted to align with current methodology.*

Customer Impacts

Child Support

*Individuals – Families & High
Wealth Individuals*

Business - employers

Intermediaries

*Business Partners - other
Government Agencies (NZ &
overseas jurisdictions)*

Child support – customer change impacts

The biggest change to this product is from the administrative benefits of moving Child Support into START and legislative amendments to simply, improve fairness, increase compliance and further enhance customers experience.

This impacts **Individuals – Families/High Wealth Individuals** customers who receive and pay child support by digitising the application process, providing greater visibility of their information, earlier payments (in most cases) and legislation changes. Some **employers** may also be impacted by making it mandatory to deduct payments from employees who are new or returning liable parents.

The level of change for **receiving carers** and **liable parents** is **LOW – MEDIUM**. Customers will be able to *apply for child support in myIR* with some information pre-populated for them. Customers will have *greater visibility of their account and payment information*, along with the ability to *self-service more* by requesting actions like applying for an administrative review and objections (currently paper based). *Legislation changes* such as penalty grace periods and a time bar to limit reassessments and administrative reviews should be viewed favourably. Aligning the *definition of income* with Working for Families may result in some adjustments to payments paid and received, however, customers won't experience this until the assessments are calculated late February 2022. Improved *payment processing* will also see most receiving carers get payments as soon as possible after the liable parents due date. Automating compulsory employer deductions reduces the time available for a liable parent to discuss privacy concerns with Inland Revenue prior to employer deduction notices being issued to the employer.

The level of change for **employers** is estimated to be **LOW – MEDIUM** with compulsory employer deductions for all new or returning liable parents (currently only applies to parents in debt) which may increase the number of employees an employer currently deducts for. Automatic notifications to deduct will be included into one electronic notice instead of multiple paper only notices and have a shorter lead-in time for starting deductions. Some employers may perceive this as an additional compliance cost, as they will be required to adjust business processes.

The level of change for some Business Partners such as government agencies is estimated to be **LOW – MEDIUM**. [Information redacted] will apply for child support, and view overpayments via a new self service portal, and will have access to a new multi payment option account in myIR; they will need support as they adjust to these. The child support file method of transfer between IR and [Information redacted] changes from iron key to SFTP, and a new keypoint to capture the SWN number will be added on their Employment Information. Advocacy groups will need to be aware of the legislation changes and new services available in myIR.

Customer Support

Existing and new customers will need an awareness of the changes. Most existing child support customers won't need to do anything differently at go live but will need to know about myIR changes (including v12), new self service options and payment changes for receiving carers. Returning liable parents and employers will need to know prior to go live about compulsory employer deductions. Our business partners will need support to change/amend business processes and adapt to using new digital services.

New customers will need a myIR account, making it easier to apply and manage their entitlements/obligations. Our communications will need to include this message before, at and after go live.

Child support – legislation changes

The Child Support Amendment Bill was passed and received royal assent on 24 March 2021. The Bill contains a range of measures to reduce the scheme's complexity, improve fairness and increase compliance.

The key changes that will be part of Release 2 are:

- Newly liable parents, or liable parents that are returning to the child support scheme will:
 - Receive a 60 day grace period from penalties to assist in the transition into the scheme
 - Have compulsory employer deductions made from their salary/wages, with some exceptions
 - Be able to have their estimation backdated, if the estimation is received within 28 days of their assessment starting
- All liable parents will be able to apply for a temporary exemption if they are:
 - suffering from a long term injury or illness
 - in an overseas prison or hospital
- For the initial late payment penalty:
 - The \$5 minimum for the first stage will be repealed; it will always be the standard 2%
 - The second stage will be moved out from 7 days to 28 days after the due date
- A time bar of 4 years will apply to reassessments and administrative reviews.
- There will be a change to the definition of income that will include interest/dividend income for salary/wage customers and exclude losses carried forward. This aligns to the income definition for Working for Families.
- A new election period for estimations will benefit customers who are re-estimating their income throughout the year. The square up process will reflect income during the estimation periods.
- Children will not be considered financially independent for child support purposes unless they are at least 16 years of age.
- Child support for a qualifying child that is still in school will cease on the 31st of December the year they turn 18.
- Inland Revenue will have the discretion to adjust a child expenditure calculation when the calculation leads to a perverse outcome.
- Customers will have 60 days to provide court orders of parentage for the back dating of assessments.
- Customers will also have 28 days from receiving an assessment to advise Inland Revenue of their existing living circumstances.
- Commissioner discretion will be introduced to offset customers arrears owing to each other instead of through the administrative review process.
- The mixed age expenditure table and urgent maintenance order provisions will be repealed from the Child Support Act.

Customer and product snapshot: child support



175k

QUALIFYING
CHILDREN



1.99B

TOTAL CHILD SUPPORT
DEBT BALANCE



367k

PHONE CALLS
RECEIVED WITHIN ONE
YEAR



319k

TOTAL CUSTOMERS –
COMPRISED OF 156,000
LIABLE PARENTS AND
163,000 RECEIVING CARERS



1.4B

TOTAL PENATLY BALANCE



9.5k

CASES REFERRED TO
AUSTRALIA FOR
COLLECTION



34k

APPLICATIONS RECEIVED
WITHIN ONE YEAR



517M

TOTAL LIABLE PARENT
ASSESSMENT DEBT
BALANCE



6k

CASES BEING
COLLECTED ON BEHALF
OF AUSTRALIA

Customer and product snapshot: child support

Receiving Carer



Receiving carers are a parent or third party carer of a qualifying child/children that is normally entitled to receive child support from a liable parent.

Liable Parent



A liable parent is a parent that does not live with their child/children or shares the care of them and supports the child/children financially by paying Child Support.

Employers



Employers support Inland Revenue by deducting child support amounts from their employees salary/wages and passing them on to Inland Revenue. *Key Impact:* The introduction of compulsory employer deductions.

External Agencies



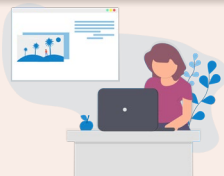
Inland Revenue works with external agencies. *[Information redacted]*

KEY CHANGES

- The Child Support Amendment Act passed March 2021 has a focus on improving the administration of the scheme including simplified penalty rules, compulsory employer deductions and more certainty for parents via a 4 year time bar for reassessments and administrative reviews.
- It will be easier for customers to manage their child support as more self-service options available, including registrations, cancellations, administrative review applications and objections. Over time, this will reduce the amount of paper that IR receives from customers and encourage customers to use digital channels.
- Information sharing and communication with our external agencies will be improved through the use of portals and secure file transfer.
- The processing of payments and employer deductions will be streamlined and ensure receiving carers get their child support as soon as possible following a due date
- Most processes will be managed using a mix of cases and work items providing standardised patterns across a range of work types. START will automate processes reducing the amount of manual handling required. Up front validations and pre-population of information will improve data quality and make it easier for people to complete day to day tasks.
- START will introduce the use of transaction ledgers and a new CSC account to manage financial transactions as money moves from a liable parent through to one or more receiving carers.

Child support - key changes for receiving carers

High Stability



Fluctuating



Digital Services

Meeting customer expectations for digital service offerings

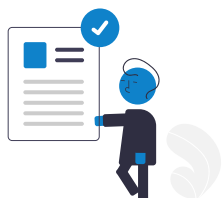
Mobile friendly digital services makes it easier for customers to access their child support information



Legislation Changes

Sees that the income used for their assessment better reflects their circumstances

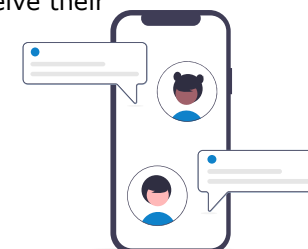
Will be more likely to get payments when they are newly entitled as a result of compulsory employer deductions



Timing of Payments

Will seamlessly receive their payments as soon as possible after the due dates

Will no longer need to request an urgent refund to receive their entitlement earlier



Child support - key changes for liable parents

Self employed



Salary and Wages

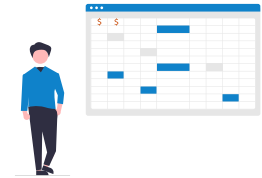


Legislation Changes

May perceive they are disadvantaged if their losses carried forward will not reduce child support income

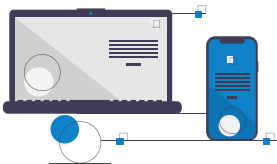


Sees the income used for their assessment better reflects their circumstances

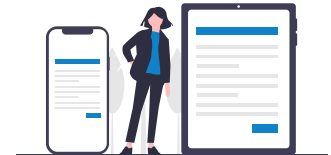


Mostly Digital

Meeting their expectations with similar level of functionality as their business accounts

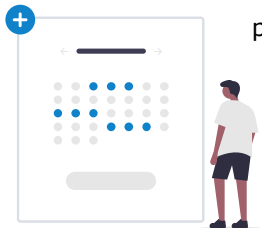


Mobile friendly digital options may make managing their child support and interacting with IR easier



Deduction Methods

May appreciate the option of setting up a schedule of payments based on their chosen frequency



No choice of payment channel; will be automatically set up for employer deductions



Child support - key changes for NZ agencies

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Digital Services

[Information redacted] will shift from IronKey to SFTP; will reduce manual effort for them

Will have their own portal; they will need to adapt to using a new tool and know how to access support



Information Sharing

Existing channels used for information sharing; no channel changes.
[Information redacted] will have a new field on their EI for the SWN; will need to adapt to include this

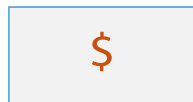
Will be able to access information as and when required using the portal; reducing time spent contacting IR for adhoc information



New Payment Options

Will continue using their current methods to make payments; no direct impact

Will have a bulk payment channel (MPO account) in addition to standard payment options; will be able to choose the right payment option for them



Child support - key changes overseas agencies

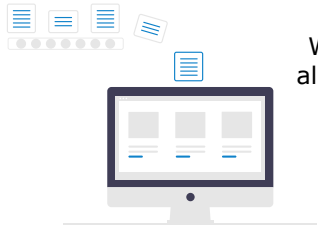
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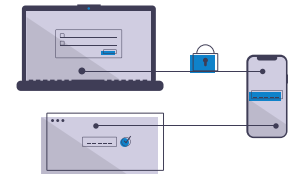
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Digital Services



Will have new myIR options along with existing preferred services; design meets needs of agency

At minimum, all will have myIR services available; onboarding processes to determine what options will suit each agency



Information Sharing

No change to what information is able to be shared; will be of no real impact



The Hague agreement will allow us to share information with other Hague countries to support the collection of NZ and international child support



New Payment Options



Will use new MPO account for their bulk payment: will be minimal impact as they already pay in bulk, this is simply a new channel

Hague agencies will have digital payment options; each agency can determine what works best for them



Child support impacts – receiving carers

Impacted Customer Segments:	Families, High Wealth Individuals, Nominated Persons, Other Gov't Agencies
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Payments to receiving carers will be issued as soon as possible after the liable parents payment due date. The payment will be issued on the 23rd at the earliest, instead of being held until the 7th of the following month. ➤ There will be more incentive to shift to authenticated digital services due to more digital services being offered, the removal of some paper forms (including the main parent application form), and V12 design ensuring myIR is mobile friendly. ➤ Customers when using myIR will be prompted to provide all required information up front through the use of validations and pre-population of information already held where appropriate. ➤ Ratification of the [Information redacted] will allow receiving carers to apply against liable parents living in other member countries and request IR approach these countries to collect on their behalf. ➤ New legislation makes employer deductions compulsory for newly liable or returning liable parents which provides more consistency earlier. ➤ New legislation introduces a time bar that will restrict reassessments and administrative reviews to a four year period, exceptions will apply. ➤ New legislation aligns the definition of income with Working for Families Tax Credits. Income for child support will now include interest / dividends and exclude losses bought forward. 	<ul style="list-style-type: none"> ➤ Receiving carers will be paid their entitlement from the 23rd of the month (as long as it has been paid by the liable parent) and will no longer have to request an urgent refund of the entitlement to receive it earlier than the 7th of the following month. ➤ More digital services will give customers a new channel for common tasks and provide a clearer view of their account enabling them to take more of a self service approach. The upgrade to V12 has enhanced the usability of myIR for customers on mobile devices. Customers unable to shift to digital channels to lodge applications will continue to have our phone channel available. ➤ New validations will decrease the need for multiple points of contact with customers during registration, administrative reviews and other requests, to clarify or request additional information. ➤ The Hague Convention gives customers access to a new avenue to enable easier collection of child support and maintenance entitlements from parties in Hague countries. ➤ Compulsory deductions helps liable parents meet their obligations from the start of their liability; this will result in receiving carers being more likely to receive their entitlement earlier. ➤ The four year time bar will provide receiving carers with more certainty around their entitlement. They will need to understand what exceptions apply if their circumstances necessitate it. ➤ Receiving carers may see a change in their entitlement due to the change in income definition. This will not take effect until the 2023 child support year. Some customers may perceive this as unfair or fair depending on the impact to their entitlement.

Child support impacts – receiving carers

Impacted Customer Segments:	Families, High Wealth Individuals, Nominated Persons, Other Gov't Agencies
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ New legislation aligns the minimum age a child can be deemed financially independent and the qualifying age criteria with Working for Families Tax Credits. ➤ New legislation repeals the mixed aged expenditure table to allow a fairer reflection of costs based on the actual ages of the children in each household. ➤ New legislation allows the Commissioner to initiate debt offsetting on behalf of the customer when there is debt owing between the parents. This removes the requirement for the customer to take part in an administrative review process to achieve the same outcome. ➤ Receiving carers will be monitored to identify and notify customers that may benefit from estimating their income to more accurately reflect their circumstances. 	<ul style="list-style-type: none"> ➤ Aligning the qualifying child criteria with Working for Families should make it less confusing for customers as there will be one clear set of criteria for both products. ➤ Receiving carers will consider this a fairer calculation of their child support as their entitlement will reflect the costs associated with each child based on their actual age. ➤ Receiving carers will no longer have to use the complex administrative review process to have their debt offset against the other parents, saving them considerable time and effort. They may view this positively as it removes a perceived unnecessary step and simplifies the overall process. ➤ Receiving carers may appreciate Inland Revenue notifying them of a potential avenue available to them when their circumstances appear to have changed. This may prompt receiving carers to estimate their income to more accurately reflect their circumstances.

Child support impacts – liable parents

Impacted Customer Segments:	Families, High Wealth Individuals, Nominated Persons, Other Gov't Agencies
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ New legislation makes employer deductions compulsory for newly liable or returning liable parents who receive salary or wages. These deductions will be automatically set up based on their employment situation, with some exceptions. ➤ Liable parents who are in debt and receiving salary / wages, will no longer be contacted and instead arrears plans will be automatically set up with their employer, exceptions will apply. ➤ New legislation introduces a 60 day grace period from penalties for newly liable or returning liable parents. ➤ Liable parents who do not have employer deductions, will have the option to request a START generated schedule of recurring payments to meet their monthly obligation based on their chosen payment frequency. ➤ New legislation introduces a time bar that will limit reassessments and administrative reviews to a four year period, exceptions will apply, e.g. in the case of a court order. ➤ New legislation aligns the definition of income with Working for Families Tax Credits. Income for child support will now include interest / dividends and exclude losses bought forward. ➤ Along with a more mobile friendly design due to version 12, there will also be more digital services offered for liable parents to use. In addition there will be a reduction in paper forms available. 	<ul style="list-style-type: none"> ➤ Liable parents will no longer have to request Inland Revenue set up deductions from their employer as it will happen automatically. This may mean some liable parents will not have the opportunity to advise of any privacy concerns prior to the deduction being set up. Some liable parents may appreciate that Inland Revenue is making it easy for them to meet their obligations, however some may view it as a sign of mistrust. ➤ Some liable parents may perceive it as unfair for Inland Revenue to go straight to their employer rather than discussing options with them first. ➤ Newly liable or returning liable parents may perceive the introduction of a grace period as a more compassionate approach to helping them to adapt to meeting their new obligations. ➤ Liable parents who choose the schedule option will have the certainty of a clear payment schedule to adhere to that suits their payment frequency. This will also remove frustration as they will no longer be incorrectly penalised when their payments didn't easily align to the monthly due date. ➤ A time bar will provide liable parents with more certainty that their obligations will not change unless particular exception criteria apply. ➤ Liable parents may see a change in their entitlement due to the change in income definition. This will not take effect until the 2023 child support year. Some customers may perceive this as unfair or fair depending on the impact to their entitlement. ➤ Liable parents will appreciate that they can easily use myIR on any device and have access to new functionality enabling them to take more of a self service approach. Some may be frustrated by the removal of some paper forms.

Child support impacts – liable parents

Impacted Customer Segments:	Families, High Wealth Individuals, Nominated Persons, Other Gov't Agencies
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Ratification of the Hague convention will mean that liable parents living in New Zealand or [Information redacted] member countries can be requested to pay or have payment enforced by that country. ➤ New legislation removes the \$5 minimum for the first stage of the initial penalty and instead all customers will be charged 2%. The second stage of the initial penalty will also change from 7 days after the due date to 28 days. ➤ New legislation expands exemption criteria in relation to paying child support to include those in overseas hospitals and prisons. A new temporary ground has also been introduced for liable parents unable to work due to illness or injury. ➤ Liable parents based in Australia will only be asked for income details if [Information redacted] is unable to provide them. ➤ Liable parents who have a shortfall in their payment obligation will receive a text or web message to advise them of the shortfall and request them to make a manual payment. ➤ Liable parents will be proactively notified or contacted to advise they may have deductions that are not appropriate for their situation or that they may benefit from estimating their income. 	<ul style="list-style-type: none"> ➤ Liable parents living in New Zealand or [Information redacted] member countries may perceive the ability for Inland Revenue or the [Information redacted] country authority to take enforcement action negatively. Customers may not understand which country to contact in relation to the collection actions. ➤ Removing the \$5 minimum for the first stage of the initial penalty will have a positive impact for our low income liable parents who will no longer be over penalised. Moving the second stage of the initial penalty will give all liable parents more opportunity to pay before being further penalised. ➤ Liable parents may perceive the changes to the exemption criteria positively as it could allow their situation to be taken into account. ➤ Less contact from Inland Revenue may mean liable parents in Australia perceive that [Information redacted] and Inland Revenue are working more collaboratively. ➤ Liable parents may appreciate being notified of an under deduction faster, giving them more of an opportunity to make up the shortfall before the due date. ➤ Liable parents may appreciate Inland Revenue notifying them of an option to have their deductions or assessment more accurately reflect their circumstances.

Child support impacts – employers

Impacted Customer Segments:	Significant Enterprises, Small & Medium Enterprises, Micro Business, Not for Profits, Other Government Agencies, Intermediaries
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ New legislation requiring compulsory employer deductions may increase the number of employees that an employer has to deduct child support for. There may be some employers that previously have not had any employees requiring deductions and will now be required to. ➤ Employer deduction notices will be sent electronically if the employer has an active myIR account, paper will be an exception. ➤ Employer deduction notices can be redirected to tax agents rather than always going to the employer first. This will follow standard mail redirection patterns meaning they will not be redirected to payroll intermediaries, only to tax agents. ➤ Employer deduction notices will be consolidated into one notice that includes all actions that need to be taken e.g. start or stop deductions, instead of these being in separate notices. ➤ Employer deductions notices currently request that deductions start 21 days from the issue date, this will be decreased to 14 days. ➤ Employers will be monitored earlier to identify those that continually under or over deduct, or do not deduct for 3 paydays in a row, so that contact can be made with them to find out why they are incorrectly deducting. ➤ Employers will not be contacted for under-deductions that do not reach the 3 paydays criteria, however the liable parent will be contacted directly so they have the opportunity to address the under-deduction with the employer themselves. 	<ul style="list-style-type: none"> ➤ Employers may perceive an increase in compliance costs if their processes are affected by a change in volume of deductions or through being required to make deductions for the first time. Some employers may need education to understand why they are required to deduct. ➤ Employers will be able to view all correspondence relating to their payroll in myIR instead of receiving employer deduction notices separately via post, this may assist them with their processes as all of their information is in one place. ➤ Employers may appreciate employer deduction notices being redirected automatically to their tax agent as they will no longer have to forward this information. ➤ Employers may perceive Inland Revenue to be more efficient as they will receive fewer individual notices, with multiple requests being contained in the same letter. They may find it takes less time to action these requests from Inland Revenue. ➤ Some employers may need to adapt their internal processes to ensure they are able to commence deductions within 14 days of receiving a notice from Inland Revenue. ➤ Employers who do not meet their obligations in relation to deductions will receive more proactive contact from Inland Revenue. ➤ Employers need to be aware that liable parents may approach them after receiving a text message from Inland Revenue in relation to an under deduction.

Child support impacts – NZ based agencies

Impacted Customer Segments:	Other government agencies
Impact Rating:	Negligible – Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Inland Revenue will host an external eServices portal for [Information redacted], this portal will enable them to apply for child support and view their overpayments using a report. ➤ [Information redacted] will use a Multi Payment Option account when making bulk repayments. ➤ Files sent to and from [Information redacted] to assist with the administration of child support will shift from using IronKey as the transfer method, to using Secure File Transfer Protocol (SFTP). ➤ [Information redacted] will no longer add the SWN number to the customers name field in their Employment information (EI) as a new key point for SWN numbers will be added to EI that will only be visible to [Information redacted]. ➤ PAX requests for child support customers will shift from being an emailed based process to using the reinstated [Information redacted] interface that was built for student loans as part of Release 4. ➤ Advocacy Groups will encounter a range of changes as Inland Revenue improves administrative processes and the fairness of the scheme, and introduces a number of digital options for all parties involved in child support. ➤ There will continue to be use of secure mail with some of our partner in relation to child support. 	<ul style="list-style-type: none"> ➤ [Information redacted] will initially need education and guidance in using the portal. Although there may be some initial frustration as their people adjust, over time they may appreciate the convenience a self-service channel gives them. ➤ [Information redacted] will need to understand how the Multi Payment Option works, including what they need to supply on a schedule and how to submit it in myIR. ➤ Adopting the SFTP method to transfer benefit information to IR will mean a person from [Information redacted] no longer has to physically deliver a USB. This simpler process may be less resource intensive. ➤ The new field for the SWN will allow Inland Revenue to include the SWN in employer deduction notices sent to [Information redacted]. This will allow [Information redacted] to easily match their customers to our notices, which may reduce their time spent on processing notices. ➤ [Information redacted] will use the interface to manage both child support and student loan PAX requests, removing the need for separate processes for the two products. ➤ Advocacy groups that assist customers in understanding their obligations and entitlements will need to be aware of changes that are being made in order to support their clients. ➤ Our partner agencies will continue to communicate with Inland Revenue via their existing channels, they will not need to make any changes to their processes.

Child support impacts – overseas based agencies

Impacted Customer Segments:	Overseas agencies
Impact Rating:	Negligible – Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ [Information redacted] will use a Multi Payment Option account to make a bulk payment for all the amounts collected from liable parents based in Australia. ➤ Hague countries will have the option to use a Multi Payment Option account. This allows them to make a single bulk payment to Inland Revenue for all the amounts collected from liable parents. ➤ New Zealand ratifying the Hague Convention will enable other member countries to request Inland Revenue to collect on their behalf. They can also be requested to collect on behalf of Inland Revenue. ➤ Refund redirects will be used when a payment for a receiving carer is required to be issued to [Information redacted]. ➤ [Information redacted] will be sent annual bulk requests for income for liable parents located in Australia prior to these customers being contacted by Inland Revenue. ➤ The sending and receiving of files to and from [Information redacted] will continue to be done manually via the secure web portal hosted by [Information redacted]. ➤ New legislation expands exemption criteria to include those in overseas hospitals and prisons. This enables liable parents located in Australia who meet the criteria to be granted an exemption. 	<ul style="list-style-type: none"> ➤ [Information redacted] will need to understand how the Multi Payment Option works, including what they need to supply on a schedule and how to submit it in myIR. ➤ Hague countries may initially need education on payment options and how to register for a Multi Payment Option account. They will need to have a myIR account and understand how this is used to submit their payment schedule and the correct way to code payments. There may be some additional assistance needed initially as they become familiar with this process for making bulk payments. ➤ New Zealand and Hague countries will have access to a new avenue to enable easier collection of child support and maintenance entitlements from liable parents in their respective countries. ➤ Using refund redirects will eliminate the possibility of payments being made to the receiving carer when they should have been made to [Information redacted], this will save them the administrative work that results from this incorrect payment being made. ➤ There will be a small increase in the number of liable parents included in the request for income that [Information redacted] will receive from Inland Revenue. ➤ [Information redacted] will continue to receive and send files using their existing channels, they will not need to make any updates to their existing processes. ➤ [Information redacted] will need to be aware of the changes to exemption criteria in order to direct liable parents living in Australia to Inland Revenue.

Customer Impacts

V12

Individuals

Families

Business

Intermediaries

V12 upgrade to myIR – customer change impacts

START and myIR will upgrade from the current Version 11 (V11) to Version 12 (V12). This impacts all customers who use myIR to varying degrees and is dependent on frequency of use, current confidence levels when interacting with myIR, and if they have complex/specialised needs.

At a high level the overall customer experience will improve but as with any application/software upgrade a period of adjustment may be required as customers familiarise themselves with the changes. Frequent and complex users will need more support, however this is expected to decrease over time due to the intuitiveness of V12. This upgrade presents an opportunity to re-engage customers with myIR functionality, focusing on their needs and benefits as opposed to product specifications.

The level of change across all customer groups ranges from **LOW – MEDIUM** with the exception of intermediaries, where level of change is assessed as **MEDIUM – HIGH**. This is expected to decrease over time as customers become familiar with the changes.

All myIR customers will see changes that will improve their customer experience, including:

myIR Feature	Customer Change
Look and feel	Modern and streamlined – view key/common information upfront and quick links to regular actions
Navigation	Simplified and cleaner information hierarchy
Calls to action (Alerts)	Centralised view of alerts with clearer descriptions, due dates and quick links to actions
Account panels	Includes summary view of balances, next actions and account details (applies to all products)
Adaptive by device	Layout adapts to fit any screen size without loss of functionality

Intermediaries are frequent users of myIR with diverse needs and may be impacted differently. We expect the change impact to decrease once design is finalised taking into account customer feedback. A new Intermediary centre will replace access to the functions/links currently within the Tax Preparer tab. Here they can access the new Action Centre; a centralised view of alerts for all clients they are subscribed to. These will be sorted by customer, account, and due date, and can be filtered. The Tax Agent workspace will be retired and instead access to clients will be through a client search screen or through the use of the favourites functionality. The design team is currently considering possible improvements to this function based on customer feedback.

The level of change for businesses and employers (**frequent and complex myIR users**) is expected to be **LOW – MEDIUM**. The impact is expected to reduce quickly as customers become used to the new features. Customers will see improvements, have quick access to alerts/balances. Customers with complex needs such as significant enterprises will have greater visibility of multiple customers and find it easier to access information.

Customer support – all customers will need support before, during and after the upgrade. Support/education levels will vary dependent on the final design (in response to customer feedback/testing), frequency of use and business events prompting interaction with myIR.

Customer snapshot: V12 upgrade

These customer groups have been chosen due to the importance of their distinct usage patterns in myIR. Together the selected groups represent ~91% of myIR user sessions. They also represent ~75% of the customers who hold a myIR user account.

Annual individual



Individuals with 1-2 accounts
Low frequency use of myIR

Social policy



Individuals with social policy products
May use myIR a few times a month

Frequent business



SME or sole traders who file GST and/or PAYE
Likely to use myIR weekly

Complex



SE / customers with multiple profiles / accounts
Likely to use myIR multiple times a week

Intermediary



Act on behalf of other customers
Daily use of myIR

	Annual individual	Social policy	Frequent business	Complex	Intermediary
Customers in this group	1.45m	1.26m	642k	41k	6k
myIR sessions	9.4m	26.6m	12.8m	3.2m	5.6m
myIR actions - web requests	1.25m	2.2m	8.8m	2.1m	7.3m

Information sourced from the presentation "Analysis of V12 changes to the myIR user interface" developed by the BT eServices team.

Customer and product snapshot: myIR (v12 upgrade)

Type of myIR user

Annual Individual



Individuals with one or two accounts. Receive an automatically calculated income tax assessment.
Low frequency use of myIR.

Social Policy



Individuals with social policy accounts like WfFTC, child support or student loans.
May use myIR a few times a month.

Frequent Business



Small business or sole traders who file GST and / or PAYE.
Likely to use myIR weekly.

Complex



Medium-large enterprises that may have multiple profiles / accounts that bring more complexity.
Likely to use myIR multiple times a week.

Intermediary



Tax agents, payroll intermediaries and others who act on behalf of other customers.
Daily use of myIR.

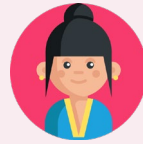
KEY CHANGES - myIR

- Version 12 myIR is a lighter, modern look and feel, and simplifies the information that is presented, making it easier for customers to focus on relevant and important information. The layout will adapt to fit the size of any screen without loss of functionality, making it a seamless experience to use myIR across different devices.
- A new simplified 'hub and spoke' navigation model will allow customers to easily access most of the actions they need to perform, either from their home page or within the "I want to..." menus at the customer or account level.
- The current account (product) tiles will become account panels, and customers will be able to scroll down through these. These will allow IR to provide the customer with upfront information about the account such as any due now balances or relevant quick links to actions such as "make a payment" or "file a return".
- A new Intermediary Centre will provide access to intermediary functions/links within myIR, replacing the current Tax Preparer tab. The Tax Agent Workspace will be retired, and access to clients will be through the client search screen, from the Action Centre, or through use of the new favourites functionality.
- The new Action Centre will give customers access to all their alerts, rather than some only being visible at the account or period levels. Alerts will be separated by customer, account, and due date; ensuring logons with access to multiple customers will be able to identify easily which alerts relate to which customer. Customers will be able to see when an alert is due, what action is required and easily navigate to this from the alert. They will also have the ability to dismiss alerts.

V12 myIR - key changes for individuals

Social Policy

L-M

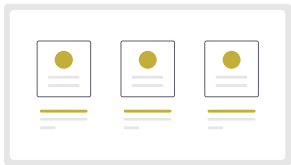


Annual Individual

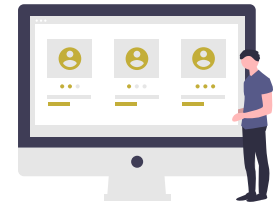
L-M

Change in look & feel

May perceive this to be an improvement on how information is presented

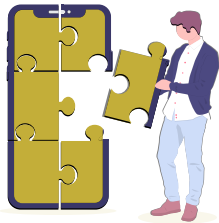


Information may feel more accessible but may not notice the extent of the change



Adaptive by device

Will appreciate the more user friendly view across all devices

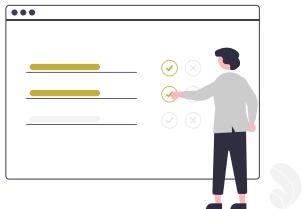


May feel that myIR is behaving as expected when accessed on mobile devices

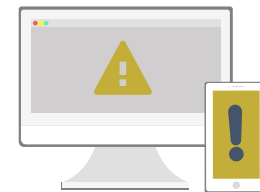


Easy view of calls to action

Clear descriptions and easy linking will help them complete required actions



May appreciate a centralised view of alerts



V12 myIR - key changes for businesses

Frequent Business

L-M



Complex Business

L-M

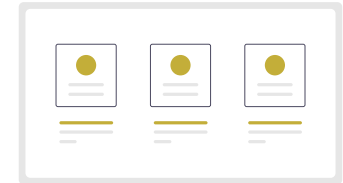


Access / Sign On

Will be easier to distinguish between personal and business accounts

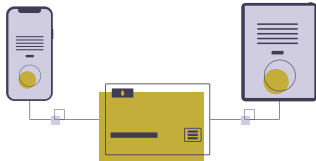


Will be easier to distinguish between various customers, profiles and accounts, and can select favourites



Adaptive by device

May find the consistent experience makes it easier to complete transactions in myIR at any time



May be of minimal impact unless working across desktop and laptop/tablet



Flattened navigation

Key information and regular actions displayed upfront; may require a break from pathway habits



May welcome being able to access information/actions with less clicks



Calls to action

Clear descriptions, due dates, and easy linking will reduce effort for completing common actions/tasks

Centralised view and clearly separated by customer, account, and due date.

V12 myIR - key changes for intermediaries

Tax Agents

M-H

Other Intermediaries

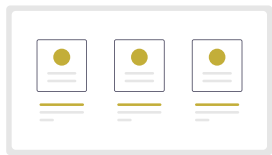
L-M



Intermediary centre

Replaces Tax Preparer tab with more "dynamic access". Subscriptions will simplify what mail/notifications are received

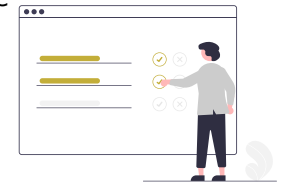
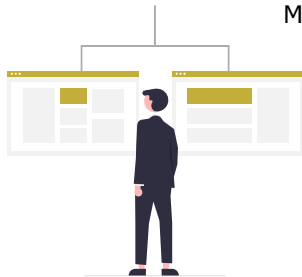
May not see a lot of value in this due to the simplicity of accounts they manage



Flattened navigation

Minimal impact if using the intermediary centre

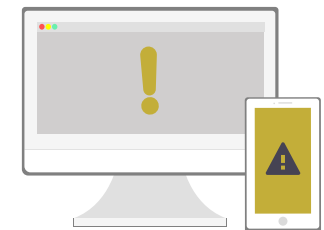
Key information and regular actions are displayed upfront reducing time required for navigation



Calls to action

Able to see at a glance alerts for their clients and access further details as required

May appreciate a centralised view of key alerts



V12 myIR impacts – annual individual/social policy

Impacted Customer Segments:	Individuals, Families, High Wealth Individuals, Nominated Persons
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Version 12 provides a cleaner view of myIR, by simplifying what is visible/accessible within screens. Information relating to alerts, and the "I want to..." links have been removed from the top of screens, reducing clutter and freeing up space for the new account panels. ➤ The layout will adapt to fit the size of any screen, without a loss of functionality, making it a seamless experience for customers to use myIR across different devices. ➤ Navigation within myIR for customers will be simplified and flattened with the new 'hub and spoke' model instead of the current 'hierarchical' one. The customer's myIR summary page will be the central "hub" with links that enable them to explore different sections "spokes" for further detail as required. Customers will no longer click into an account first to see their information, and instead will be able to access most actions/information with only one click from the summary screen. ➤ The new account panels that are replacing the account tiles, will now provide a more detailed snapshot view of the product with the number of alerts, any relevant total or due now balances, along with links and other information specific to that account such as detail of their next Working for Families payment, or the result of their end of year income tax assessment. ➤ A new 'alerts' tab provides customers with a centralised view of all actions that are required for their logon, with descriptions and quick links to perform these. On the summary screen they will also be able to quickly see how many alerts relate to each account. 	<ul style="list-style-type: none"> ➤ Some social policy customers may find the new look less cluttered and easier on the eye, while others may be annoyed that things have changed making it harder for them to find what they are looking for. Annual customers who have not logged in to myIR in a while may not realise the extent of the changes. ➤ Customers who use mobile technology predominantly will appreciate that they will have a more user friendly view. Customers who have not logged in to myIR for a period of time may be pleasantly surprised that myIR now behaves the way they would expect it to when accessed on a tablet or mobile. ➤ Regular users of myIR may find the new navigation initially frustrating as they re-learn where information now lives. Others may feel this removes some of the frustration they had trying to find information in the old version. It is expected that once they are familiar they will find it easier to navigate the system, with less clicks as more information will be accessible from the summary screen. ➤ Once customers are familiar with the new account panels they will appreciate the ability to see key information, balances, and links upfront. This may reduce the time it takes for them to find what they are looking for as well as make it easier for them to navigate to commonly used tasks for that account. ➤ Customers may find the new alerts tab provides a simpler and faster way of seeing any actions they need to take as well being able to quickly access that action. This may be of more benefit to those customers whose interaction with myIR is generally in response to an action required of them.

V12 myIR impacts – frequent business

Impacted Customer Segments:	Micro, Not for Profit, Small-Medium Enterprises, Nominated persons
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Version 12 provides a cleaner view of myIR, by simplifying what information is visible/accessible within screens. Information relating to alerts, and the “I want to...” links have been removed from the top of screens, reducing clutter and freeing up space for the new account panels. ➤ The layout will adapt to fit the size of any screen, including mobiles, without a loss of functionality. ➤ The flatter navigation is simpler and more information will be pulled up to the summary screen. Customers will no longer click into an account first to see their information, and instead most actions will require only one click from the summary screen to access. ➤ The new account panels, replacing the account tiles on the summary page, will now provide more of a snapshot view of the product. Instead of clicking into the account, the panel will show the number of alerts, any relevant key information including total/due now balances, and links to commonly accessed actions/information. ➤ Customers will continue to see the number of alerts per customer/account, but the new Alerts tab will provide a centralised view of all alerts for the customer. Each alert will now also show a description of the action required, a quick link to take this action, and the due date. Alerts will be sorted by customer, account, and due date, and can be filtered and dismissed. Dismissed alerts will still be accessible within the Action Centre and can be undismissed if required. 	<ul style="list-style-type: none"> ➤ Micro business customers may find the new look less cluttered and easier on the eye, while others may be annoyed that things have changed making it harder for them to find what they are looking for. ➤ Customers will appreciate myIR being device responsive, and this may improve the experience they have of accessing myIR when and where suits them. ➤ Customers may find the change in navigation style initially frustrating as they will have formed pathway habits in myIR through frequent use, and will need to break these to learn new ones. It is expected that once they are familiar they will find it easier to navigate the system, with less clicks, as more information and links will be accessible from the customer level. ➤ Most customers will appreciate the ability to see account relevant information, balances, and links including the “I want to...” menu, within the new account panels as this will make it easier for them to navigate to commonly used tasks for that account. The increased visibility of account balances may cause some concern from customers if they are unsure what these relate to and/or are not expecting to see amounts due. ➤ The new Action Centre and alerts panels will particularly suit those customers who are generally reactive to requests for action from Inland Revenue, such as “file a return”. Customers will value the categorisation by due date as this will enable them to quickly assess what actions they should prioritise, and then dismiss those already dealt with or considered irrelevant.

V12 myIR impacts – complex

Impacted Customer Segments:	Small – Medium Enterprises with complex business structures, Significant Enterprises
Impact Rating:	Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Version 12 provides a cleaner view of myIR, by simplifying what information is visible/accessible within screens as we as a new “hub and spoke” navigational pattern with more information pulled up to the summary screen. Information relating to alerts, and the “I want to...” links have been removed from the top of screens, reducing clutter and freeing up space for the new account panels. ➤ Logons with access to multiple customers will be required to select the customer they wish to access, before moving to the summary view for this customer. A list of all customers they can access will be visible and they will be able to filter these using the name or IRD Number of the customer. ➤ They will also be able to select up to 50 customers or accounts as “favourites” that will show up under a new favourites tab on the landing page for easy access to those they work in regularly. ➤ Account panels, and sub-panels, will replace the v11 account tiles. Customers will no longer click into an account, and instead the panels will provide them with a snapshot view of information relevant to the account along with links to commonly accessed actions/information. ➤ The new Action Centre will provide a centralised view of all alerts associated to the customers and accounts that the logon has access to. These will be organised by customer, account, and due date, and can be filtered. The alert panels in the action centre will have a description of the action required, along with a quick access link to complete this action. 	<ul style="list-style-type: none"> ➤ Customers may find the change in navigation style initially frustrating as they will have formed pathway habits in myIR through frequent use, and will need to break these to learn new ones. It is expected that once they are familiar they will find it easier to navigate the system, with less clicks, as more information and links will be accessible from the customer level. ➤ This may make it easier for customers to ensure they have accessed the customer account they intend to work in, but those customers who could previously “fast path” to a specific account for a customer may be frustrated at this extra step. ➤ Those customers who regularly access a subset of their customers/accounts may appreciate being able to select favourites as a way to reduce the time it takes to find and access these. ➤ Some customers will appreciate having key information and links being available on the summary screen. Others may be concerned at the amount or type of information that, though previously accessible, is now more visible to those in their organisation with myIR access. ➤ As the Action Centre can be accessed from the landing page as well as the customer summary screens, this will provide these customers with another avenue to quickly access a customer or account where action is required.

V12 myIR impacts – intermediaries

Impacted Customer Segments:	Tax Agent, Bookkeeper, Payroll Intermediary, Tax Pool Intermediary
Impact Rating:	Medium - High
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ A new Intermediary Centre will replace access to the functions/links that currently sit in the v11 tax preparer tab, excluding the "manage workspace" link as the Tax Agent Workspace is being retired. Access to the Intermediary Centre is via a link on the landing page, and will be available to all logons of a registered tax intermediary. ➤ When an Intermediary logs in to myIR they will be presented with a client search screen. This will allow them to find clients by IRD number or customer identifier. Once the intermediary searches, their access will be evaluated, and if they are linked to the customer they will be granted access and will be navigated to the customer's account. ➤ Intermediaries will be able to select up to 50 clients and accounts to be included in a "favourites" tab on their landing page, for quick access to those they work on regularly. ➤ Intermediaries will be able to access the new Action Centre from the Intermediary Centre and this will provide them with a centralised view of alerts for all clients of the agency that the web logon has subscribed to, up to a maximum limit. The alerts will be organised by customer, account, and due date, and will be able to be filtered. Alerts for non-subscribed clients will still be accessible from the client's account. ➤ There are a number of changes to the look/feel of myIR including the navigation within myIR and the way information is presented. The account tiles in v11 are being replaced by account panels, and instead of clicking in to these, they will provide an upfront view of key information along with quick links to commonly accessed actions/information. 	<ul style="list-style-type: none"> ➤ Intermediaries will need to understand what the new Intermediary centre provides them in comparison to the functionality that was designed for them in v11. Support will be required to assist them in learning new pathways in myIR, and understanding any benefits of the new system, as well as how IR is responding to any perceived degradation in functionality. ➤ Intermediaries may be frustrated that they require their client's IRD number or customer identifier to be able to use the 'search' screen, as they may store this in a separate system. Work is underway to consider possible improvements to this function. ➤ Although favourites will not be an exact replacement for the workspace functionality in v11, it will provide Intermediaries with an alternative to the client search function for easily viewing their priority clients. Some intermediaries may need to look at changes to their current business processes to adapt to the change. ➤ Intermediaries will appreciate that the new Action Centre will ensure they are able to identify easily which alerts relate to which customer and when these are due. Further education around myIR functionality will support those Intermediaries who may feel that the maximum limit on client subscriptions will remove their ability to quickly identify actions required across their client list. ➤ Some Intermediaries may welcome the changes and find they present a simplified view of a customer's account, and improves their ability to navigate around myIR with fewer clicks. Others may find it initially difficult to adjust, where they have become familiar with the current layout and need to learn new pathways. There may also be some concern from Intermediaries at the level of information now more visible to their clients as they may receive increased contact from these clients seeking reassurance.

Customer Impacts

Other Scope

Individuals

Business

Intermediaries

Business Partners

Other – customer change impacts

There are further scope items that will be implemented either leading up to or close to Release 2 go-live. The changes are varied and impact a range of customer groups such as individuals, business, intermediaries and business partners but overall the changes have a **Low** impact and one pocket of **Medium** for KiwiSaver providers and members impacted by the default provider review.

Some of the changes only impact smaller subgroups of our customer segments, depending on specific circumstances. Many these are improving Inland Revenues administration processes, therefore customers will not necessarily have visibility of the changes.

Tax on Income:

Negative PAYE adjustments - employers, software developers and intermediaries managing payroll for clients will need to understand when they can make a negative adjustment for prior periods in an Employment Information file – it only applies to gross and PAYE fields (not to social policy adjustments).

Bankruptcy IRD number allocation – Individual customers (including sole traders) going through the bankruptcy process won't be allocated a new IRD number, reducing confusion and removing the need for them to change their number with other organisations. Other business customers will not need to update their files for their employees or clients who are bankrupted.

Credit card convenience fee - student loan borrowers and child support customers based overseas who use a credit card for payment transactions will now be charged the convenience fee charge (1.42%), along with all other customers and will need to be aware this and what other payment options are available.

SPK2IR payment options - enhancements to improve the SPK2IR self service payment options for customers in arrears by allowing credit card payments, removing the need to engage with Inland Revenue staff.

Miscellaneous payment types – management of a number of miscellaneous payment types (i.e. conscience money, excess cash etc) will be moved into START, including reparations that are awarded to Inland Revenue and collected by [Information redacted]. There are no direct impact to customers.

Barcode solution (unauthenticated) – will be updated to match barcodes issued natively in START, ensuring [Information redacted] only have to read one standard type and may improve payment processing for them.

Other – customer change impacts

Digital Services:

Version 2 Employment Information – payroll software developers, intermediaries and employers who have not moved to version 2 of Employment Information will need to do so, be aware of the implications if they continue to use version 1 and understand how to manage amendments by using the same EI version as originally filed.

[Information redacted] interface – Inland Revenue will start sending passport information to [Information redacted] (e.g. for maintaining person of interest list). There should be minimal impact to [Information redacted] as there is not a functional change to the interface.

[Information redacted] interface (unauthenticated credit card payment) – customers who use the unauthenticated credit card payment option may notice a minor change in look and feel due to a new provider – [Information redacted]. However, the impact to [Information redacted] should be minimal as there is no change to functionality and this is a common banking function they provide.

[Information redacted] interface – [Information redacted] will send Inland Revenue bank files intraday in addition to the existing end of day file. This should have minimal impact for [Information redacted] but they may need to support any queries triggered by the file content.

KiwiSaver:

KS Default Provider – the KiwiSaver default provider list will be updated as per legislative requirements. Default KiwiSaver providers and members will need to be aware of the update. The outcomes of the review are expected to be known by end of May and the bulk of any change activity will likely occur in December 2021. The impact has been assessed as **Medium** for providers and members but this will be clearer when review outcomes are known.

Data:

myIR correspondence – there are some changes to how customers view correspondence in myIR and some will have to use a search function to view migrated EDSR content as it will not appear in their inbox. For most customers this shouldn't be a significant impact as they would expect to only see recently issued correspondence in their inbox. This will have a greater impact on child support customers as all correspondence up to cutover will be migrated content.

Customer Support

Customers will need to be aware of the changes prior to and after go live via our usual engagement channels and methods particularly intermediaries and employers about version 2 payday filing and negative adjustments. Some customers will need to make changes to their systems and business processes and they will continue to be supported by the BT Account Management and External Relationships teams.

Other scope

Key Changes for Customers

Customer Segment

Individuals

Business

Intermediaries

Business Partners

Employers will be able to use negative values in the prior period adjustment field when submitting their Employment Information (EI) files as long as validations are met.



Customers who go through bankruptcy will retain the same IRD number and no longer be required to get a new number. This means they will no longer have to update this information with employers, banks and other agencies.



There will be some changes to the look/feel of unauthenticated credit card payments with [Information redacted] being the new provider for this service.
There will also be no exceptions for the convenience fee charged on credit card payments, regardless of channel.



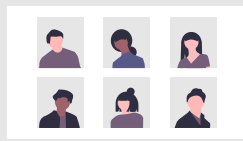
The required review of default KiwiSaver Providers will occur. System updates will ensure customers are allocated based on the new default list and this information will be published on ird.govt.nz for customers to access.



Other scope - key changes for individuals

Individuals / HWI

L

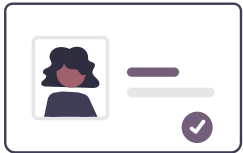


Families

L



Bankruptcy – Single IRD Number



May appreciate not having to update their number with banks / employers etc

May find it easier to view post and pre bankruptcy account information for tax and social policy, especially in myIR



Migrated correspondence in myIR



Unlikely to be of noticeable impact for most; all recent content will be in the inbox HWI with child support will need to use the search function for that content

May find it harder for a short period only to locate child support messages; will need to use search function even for recent content



Credit card convenience fee for all

Overseas based student loan borrowers may be frustrated however may find other options just as convenient

Overseas based liable parents may need to be aware of other payment options



Other scope - key changes for businesses

Micro

L



SME / SE

L

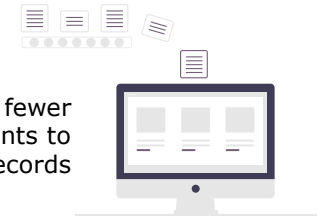


Bankruptcy – Single IRD Number



Sole Traders may appreciate not having to update their number with third parties

May be of little impact; may find fewer requests from employees/clients to update IRD numbers in records

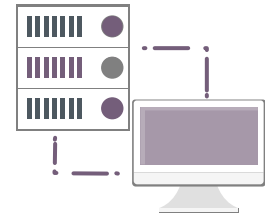


Transition to version 2 EI file



No impact to those using on-screen entry in myIR; only those using software

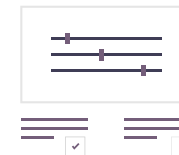
Will only impact those whose software is yet to transition. Those who have regular amendments to do may find it frustrating during the transition from V1 to V2



Negative Adjustments for PAYE

May only impact a small number of employers; not as common in smaller businesses

Some employers have been waiting for this and will appreciate it is now an option; others may be frustrated it comes with restrictions



Other scope - key changes for business partners

Gov't Agencies

N

Financial Institutions

L

Software Developers

L

Passport Data Sharing

Will be of little impact; will get more data from IR, but no change to interface or process for [Information redacted]



Reparation payments

The [Information redacted] will continue to pay reparations in the same way and provide the same information; no change to their processes

One consistent barcode type

[Information redacted] will no longer need to use two systems to read barcodes from IR; both START and web generated barcodes will be the same type



Intraday bank files

[Information redacted] may need to support queries from IR about file content; this should be of minimal impact

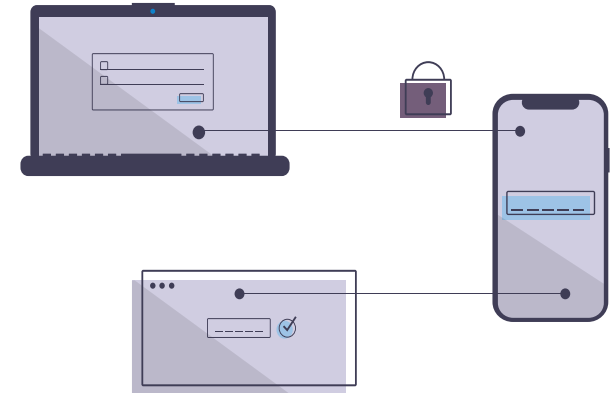


Unauthenticated credit card payments

[Information redacted] will support the unauthenticated payment platform; as a common banking platform this will be of minimal impact to them

Complete development of V2 of the EI

A small group may still be completing development amongst competing priorities; will need to keep their own customers informed of delivery plans



Transition customers to V2 of the EI

May need to provide extra support to customers as they adapt to the new version

Other scope impacts - individuals

Impacted Customer Segments:	Individuals, Families, High Wealth, Nominated Persons		
Impact Rating:	Negligible – Low - Medium		
Key Changes	Key Impacts		
<ul style="list-style-type: none"> ➤ Customers who go through the bankruptcy process will no longer be allocated a new IRD number. There is no change to the requirements for managing their tax and social policy accounts separately where pre and post adjudication applies, this will just be managed under the same IRD number. ➤ The unauthenticated credit card payment option will be updated as part of a change in provider. [Information redacted] will provide the platform for this service based on Inland Revenue specifications. ➤ Inland Revenue will start passing on the convenience fee charge (1.42%) for credit and debit card transactions to all customers. Previously overseas based borrowers paying student loans and overseas child support customers were not charged this fee. ➤ There will be updates to SPK2IR to improve self service payment options for customers to include the ability to make arrears (ARR) payments by credit card. ➤ Customers will see some differences in myIR in relation to how they view correspondence, some of this is due to the V12 design, however there will also be change based on how EDSR content is migrated to START. The key difference is that migrated correspondence (even if it is recently issued) will not appear in the customer's inbox and native START content will; instead they will need to use a search function to view the migrated EDSR content. ➤ The KiwiSaver default provider list will be updated as per legislative requirements to regularly do so. 	<ul style="list-style-type: none"> ➤ Customers will no longer have to update records with a new IRD number when made bankrupt. This will reduce confusion around which number applies to which period of their tax accounts and remove the need for them to contact employers, banks and other agencies to update their details with a new number. ➤ Customers may notice a new look / feel to the unauthenticated credit card payment option, however as the functionality will be the same, this should be of minimal impact. ➤ Customers who are aware of and currently benefiting from Inland Revenue covering the credit and debit card convenience fee will need to know that it will no longer continue. They may need to understand what other payment options are available to them so they can determine if they still wish to use this payment channel. ➤ Customers may notice some small enhancements to SPK2IR that allows them to use a self-service option rather than needing to be connected to a person in relation to arrears payments. ➤ Customers may wonder why some information is accessed from their inbox in myIR and other content can only be accessed using the search function. For most customers this won't be of significant impact as they would expect only recently issued correspondence to be in their inbox. However this will impact those customers with child support obligations / entitlements the most as all correspondence up until cutover for this release will be migrated content and affected by this. ➤ KiwiSaver members may need to make a choice in relation to their KiwiSaver provider if they were allocated to a provider who is removed from the default list. They will need guidance from their current provider and education from Inland Revenue to support this. 		

Other scope impacts - business

Impacted Customer Segments:	Micro, Small-Medium Enterprises, Significant Enterprises, Not for Profits
Impact Rating:	Negligible - Low
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Customers (including Sole Traders) who go through bankruptcy processes will no longer be allocated a new IRD number. There is no change to the requirements for managing their tax and social policy accounts separately where pre and post adjudication applies, this will just be managed under the same IRD number. ➤ Those employers who have not already done so will be transitioning to version 2 of the Employment Information (EI) file. This relates to those using file upload in myIR or those using a software package that has yet to update to version 2. This change will affect the fields on the file with the addition of new fields in V2 changing how they complete information relating to prior period adjustments, employee share scheme (ESS) information and when accounting for student loan SLCIR and SLBOR deductions. ➤ Employers can, in some cases, enter a negative value in an Employment Information (EI) file when accounting for adjustments for a prior period. They can already make adjustments for prior periods currently as long as the value is positive. This change enables a negative value in the relevant gross and PAYE adjustment columns as long as it will not reduce the overall gross or PAYE for the line item below 0. Additional validations will prevent negative adjustments entirely if there are impacts on social policy as part of the adjustment. ➤ There will be updates to SPK2IR to improve payment options for customers to include the ability to make arrears payments by credit card. 	<ul style="list-style-type: none"> ➤ Customers will no longer have to update records with a new IRD number when made bankrupt. This will reduce confusion around which number applies to which period of their tax accounts and remove the need for them to contact employers, banks and other agencies to update their details. ➤ Customers who are employers or who use an IRD number from their customers/clients as part of their business activity will no longer need to update files with a second number if their employee or customer/client has been made bankrupt. This may reduce some administrative cost for them. ➤ Employers may find the way version 2 captures information easier to work with as it allows all information relating to an employee to be captured on one line item rather than multiple. They will need to understand how to manage amendments and that they must amend information using the same EI version as originally filed. This may cause some confusion initially but this will reduce over time as version 2 becomes the dominant file type used. ➤ Employers will need to be aware that the prior period adjustment fields on the EI can now accept negative values if validations are met. They will need to understand when this is an option, and when a prior period will need to be amended instead. ➤ Customers may notice some small enhancements to SPK2IR that allows them to use a self-service option rather than needing to be connected to a person in relation to arrears payments.

Other scope impacts - intermediaries

Impacted Customer Segments:	Tax Agents, Bookkeepers, Payroll Intermediaries
Impact Rating:	Negligible - Low
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Customers who go through bankruptcy processes will no longer be allocated a new IRD number. There is no change to the requirements for managing their tax and social policy accounts separately where pre and post adjudication applies, this will instead simply be managed under the same IRD number. ➤ Intermediaries who manage payroll for their clients may be transitioning to Version 2 of the Employment Information (EI) file if they have not already done so. This relates to those using file upload in myIR or those using a software package that has yet to update to version 2. This change will affect the fields on the file with the addition of new fields in V2 changing how they complete information relating to prior period adjustments, employee share scheme (ESS) information and when accounting for student loan SLCIR and SLBOR deductions. ➤ Intermediaries completing payroll for their clients can, in some cases, enter a negative value in an Employment Information (EI) file when accounting for adjustments for a prior period. They can already make adjustments for prior periods in a current EI, this change enables a negative value in the relevant gross and PAYE adjustment columns as long as it will not reduce the overall gross or PAYE for the line item below 0. Additional validations will prevent negative adjustments entirely if there are impacts on social policy as part of the adjustment. ➤ There will be a consistent current tax year plus four years prior approach taken to what historical correspondence will be migrated to START from EDSR. This means START will no longer call EDSR to access older correspondence (up to 8 years) and only records from current year plus four can be viewed in myIR. Based on how the data is migrated, it can only be viewed via a search function. 	<ul style="list-style-type: none"> ➤ Intermediaries will need to be aware that customers will no longer have to update records with a new IRD number when made bankrupt. They will need to know how accounts will behave in myIR and will no longer need to have more than one IRD number held in client lists for the same customer for this reason. ➤ Intermediaries may find the way version 2 captures information easier to work with as it allows all information relating to an employee to be captured on one line item rather than multiple. They will need to understand how to manage amendments and that they must amend information using the same EI version as originally filed. This may cause some confusion initially but this will reduce over time as version 2 becomes the dominant file type used. ➤ Intermediaries will need to be aware that the prior period adjustment fields on the EI can now accept negative values if validations are met. They will need to understand when this is an option, and when a prior period will need to be amended instead. ➤ Intermediaries who regularly review correspondence in myIR will need to be aware of what historical information will be available to view and how to locate it.

Other scope impacts – business partners

Impacted Customer Segments:	Software Developers, Service Providers/Financial Institutions, KiwiSaver Providers, Other Gov't Agencies
Impact Rating:	Negligible – Low - Medium
Key Changes	Key Impacts
<ul style="list-style-type: none"> ➤ Software Developers will need to complete the transition to Version 2 of the Employment Information (EI) file if they have not already done so. This change affects the fields on the file with the addition of new fields in V2 changing how they complete information relating to prior period adjustments, employee share scheme (ESS) information and when accounting for student loan SLCIR and SLBOR deductions. This includes support for amendments as their clients may need to amend files that are both version 1 and version 2. ➤ The unauthenticated barcode generator will be updated to match the barcodes issued natively in START ensuring [Information redacted] will only be presented with one standard type of barcode by customers. ➤ [Information redacted] will be responsible for the unauthenticated credit card payment platform our customers access from the Inland Revenue website. ➤ Inland Revenue will commence sending passport information (when provided by the customer) as part of the data we send to [Information redacted] through the [Information redacted] interface (e.g. for maintaining the person of interest list). ➤ [Information redacted] will begin sending Inland Revenue bank files intraday in addition to the existing end of day file. ➤ Management of a number of miscellaneous payment types will be moved into START, including reparations that are awarded to Inland Revenue and collected by the [Information redacted]. ➤ The KiwiSaver default provider list will be updated as per legislative requirements to regularly do so. 	<ul style="list-style-type: none"> ➤ Most Software Developers will deliver this change prior to release 2, however for those who do not, they will need to manage their capacity to complete all development that Inland Revenue is requiring of them; this may be challenging as version 2 is not the sole focus of change (e.g. other annual changes, e-file decommission are also on their runway). They will also need to support their own customer base with this change including any communications around timing and implications if they need to push out delivery dates. ➤ [Information redacted] will no longer need to use two different systems to read Inland Revenue issued barcodes. Having one standard barcode type will remove this requirement and may improve ease of payment processing for them. ➤ [Information redacted] will support the unauthenticated payment platform; however, as this is a common banking function for them it should be of minimal impact. ➤ There should be minimal impact to [Information redacted] as there will be no functional change to the [Information redacted] interface and they already send Inland Revenue matched passport information. ➤ [Information redacted] may need to support any queries triggered by intraday file content, however the introduction of intraday files is not new to [Information redacted] and should be of minimal impact to them, the impact is more for Inland Revenue. ➤ Although there will be changes to how Inland Revenue manages reparations money internally in START, there is no direct impact to the [Information redacted] in terms of how they pass on payments. ➤ KiwiSaver Providers will need to be aware of the update, however this is an expected change that has happened before. The degree of impact may vary if any providers are removed or added.

We will continue to utilise all of our channels and methods to tailor our reach and engagement with customers

	Business-Led Tactics	Account Management	Customer Education	Via third party	Advertising, Social Media	Direct Marketing	Website, myIR & online services	Voice Channel
Individuals	–	–	✓	✓	✓	✓	✓	✓
Individuals: Families	–	–	✓	✓	✓	✓	✓	✓
Individuals: High Wealth	–	–	✓	✓	✓	✓	✓	✓
Businesses: micro and SME	–	–	✓	–	✓	✓	✓	✓
Business: Significant Enterprises	✓	✓	✓	✓	✓	✓	✓	✓
Intermediaries: Tax Agents, Bookkeepers	✓	✓	✓	–	✓	✓	✓	✓
Business Partners: Other Government Agencies	–	✓	–	–	–	–	✓	–
Business Partners: Financial Institutions	–	✓	–	–	–	–	✓	–
Business Partner: Software Developers	–	✓	–	–	–	–	✓	–

Business-led Tactics

Tactical planning, Outbound calling, inserts with forms and returns if required.

Account Management

Via BT Account Managers, CCS-B External Relationships, CCS-B Significant Enterprises and CCS-I Community Compliance.

Customer Education

Webinars, seminars, Community Compliance visits.

Via Third Party

Information received from a tax agent, bookkeeper, software, service or other provider, or other influencer such as industry associations.

Advertising, Social Media

Google search, online, print and radio advertising, social media Proactively provided articles educational content.

Direct Marketing

Personalised and targeted emails, texts and letters.

Website, myIR and online services

Content on IR website, news items, campaign pages, promotional and instructional videos, banner messaging and new functionality, services and B2B channels.

Voice Channel

IVR messaging and functionality, dedicated 0800 lines, call-flow enhancements.

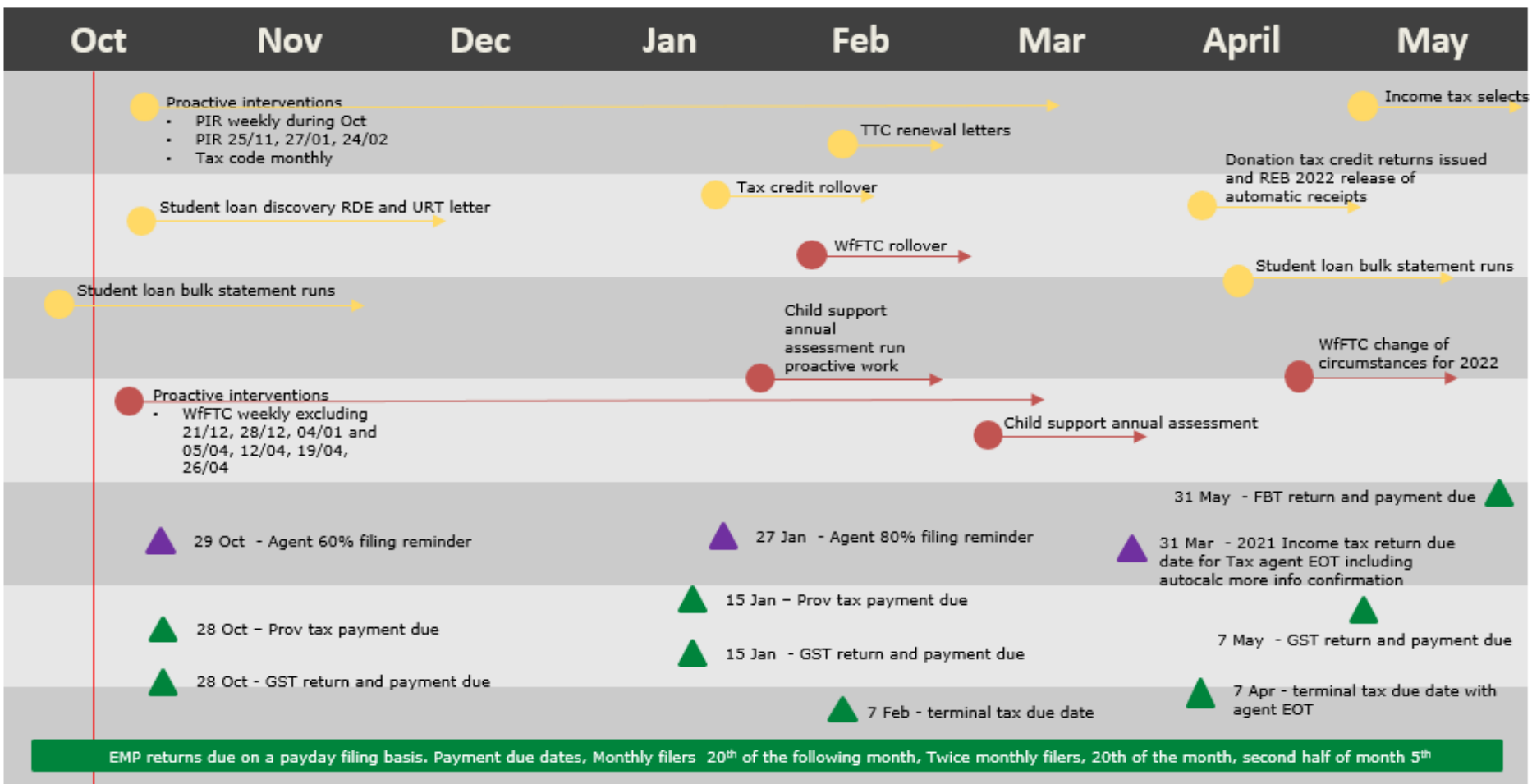




Appendices

Key customer events from S4.1.2 go-live

This calendar details the key contact dates that may prompt customer interaction with myIR



October 2021 - Go-live date

- Key date
- Annual individual
- Business
- Key event
- Social policy
- Intermediary

All tax type assessments due where applicable have

- Generation and issuing of paper returns
- Grace period letters for over due returns and payments
- Payment overdue reminders and warnings
- Return policing letters including, Check in, penalty and warning status