

ABOUT OUR BUSINESS TRANSFORMATION

Email <u>IRTransformation@ird.govt.nz</u> for further information.

BUSINESS TRANSFORMATION

August 2021

Latest news about Inland Revenue's transformation



Final Business Transformation changes

For more than four years we've been transforming how we deliver tax and social policy services.

The final release of our Business Transformation Programme will go live later this year. We're targeting late October as planned but are closely monitoring any external events that may affect this timing, such as COVID lockdowns and the recent closure of our Wellington office.



myIR changes

In our final release we'll be upgrading to the latest version of myIR. All customers who use myIR will notice an improvement - how much will depend on the extent that they use myIR and the complexity of their needs.

Important information will show on the myIR homepage

A new layout with simpler navigation will make it easier for customers to access important information from the myIR homepage for each of their accounts, such as total balances, any upcoming, due now, or overdue payments and links to complete tasks such as making a payment or filing a return.

A new Alerts tab on the myIR homepage will allow customers direct access to all their alerts – these will be sorted by account type and due date and they'll be able to filter and dismiss the alerts.

If customers have a logon with access to multiple accounts (e.g. various business accounts), they'll need to select the customer they want access to, before having visibility of the accounts for that customer.

myIR will adapt to screen size

Whatever device customers use to access myIR, for example their phone, tablet or laptop, content will automatically re-size if the device's display is large enough, and if not, it will stack and wrap content within panels.

Changes for child support

All child support customers will be able use myIR to:

- register for child support, and
- apply for and respond to administrative reviews and objections

It will also be easier for them to manage their child support details, including being able to update their contact and bank account details, and notify us of a change of circumstances.

Changes for tax intermediaries

The myIR version upgrade will also bring changes specific to tax intermediaries. These include:

- A new Intermediary centre that will allow them to perform intermediary functions from any level in myIR. The Intermediary centre will replace the Tax Preparer tab.
- We will be removing the intermediary workspace but there are new alternate ways to access clients:
 - They will be able to add up to 50 clients to a favourites tab so it's easy to find those they access regularly.
 - There is also a History tab and Last viewed link that will help intermediaries find recently accessed clients.
 - The search functionality for intermediaries will include the ability to search for a client by name as well as by IRD number and Customer Identifier. The search by name is a new addition in response to feedback we've received from tax intermediaries.

Find out more

The following webinars provide more information on the upcoming myIR changes:

- <u>Introducing the myIR version upgrade</u> (for all audiences)
- myIR navigation for businesses and individuals
- myIR navigation for tax intermediaries
- <u>Alerts for tax intermediaries</u>

Further changes for businesses and employers

New legislation for child support will come into effect making it compulsory for child support payments to be deducted from the salary or wages of returning liable or newly liable parents.

We will inform employers of any of their employees who become liable for child support payments. We'll also provide the information they'll need to make deductions from salaries / wages.



Payday filing

On 1 April 2021, it became a requirement for all employers to use the latest version of payday filing (Version 2) when submitting their Employment Information and Employee Details returns. When we go live with our final release, Version 1 will be retired for filing.

If an employer is still using the 'file upload' option to manage payroll in myIR, they must ensure their file format is updated to payday filing version 2.

Employers must amend Employment Information files using the same version they filed through, so Version 1 amendment files (EIA) will continue to be accepted.

Find out more

The following webinar provides more information on the changes coming for business and employers:

• Introducing the final Business Transformation changes for businesses and employers

Alternatively, you can also visit ird.govt.nz/changes-businesses

Other changes

Bankruptcy

From go-live, bankruptcy will no longer result in a new IRD number, customers will instead be able to continue using their existing IRD number.

Correspondence

As part of this final release, correspondence dating from April 2017 onwards will still be available in myIR. Historic letters dating back to April 2010 will no longer be accessible in myIR, however customers will still be able to request older information from us.

Audit letters that were sent as far back as February 2017 (when our system gained the capability to send things electronically) will become available in myIR. These will be visible to owner and administrator logons, and tax agents who have the Customer master link. In preparation for this change we are encouraging customers to review logons that they have set up for administrators.

With this release, we will further reduce the amount of correspondence issued by paper - child support letters, child support deduction notices, debt deduction notices to employers and audit letters will begin to issue electronically when the recipient is registered for myIR.

Credit/debit card payments

From go-live overseas customers who pay their student loan and child support obligations by credit or debit card will be charged the convenience fee of 1.42%. This is consistent with the fee that is passed on to all other Inland Revenue customers. There are several payment options available to our overseas customers. They can find out more at <u>ird.govt.nz/managing-my-tax/make-a-payment/ways-of-paying</u>.

New RWT on interest rate

Individuals will have the option to change their RWT rate to 39% with their payers of interest, such as banks and other financial institutions. The new RWT on interest rate aligns with the new 39% personal tax rate that came into effect on 1 April 2021.

Webinars

Our webinar series provides more information on the upcoming changes: <u>ird.govt.nz/bt-webinars</u>.

Available webinars:

- Introduction to the October 2021 changes
- Introduction to the new myIR version upgrade
- Introduction to the new navigation in myIR
- Alerts in the upgraded version of myIR



You can also visit <u>ird.govt.nz/business-transformation-2021</u> for information on the upcoming changes.

Guides for filing Employment Information (EI) forms

We're working on creating a better filing experience for employers, tax intermediaries and software developers. As part of this work, we've created two guides to help employers file their Employment Information (EI) forms.

The first one provides helpful assistance to complete <u>common myIR employer related tasks</u> and the second assists employers with <u>myIR filing errors</u>.

Support for businesses following alert level change

Significant support is available for businesses following the rise in alert levels announced by the Prime Minister on 17 August 2021.

These measures include:

- **The Wage Subsidy Scheme (WSS).** This payment will be available nationally to help eligible businesses continue paying staff and protecting jobs. To reflect increased wage costs, the payments have been increased to \$600 for full-time employees and to \$359 for part-time employees. Applications opened at 9am on Friday 20 August 2021, with applications initially open for two weeks. For more information, see <u>workandincome.govt.nz/covid-19/index.html</u>
- The Resurgence Support Payment (RSP). This payment will be available to any business or organisation in New Zealand that experiences at least a 30% drop in revenue or a 30% decline in capital-raising ability over a 7-day period, due to a COVID-19 alert level increase of level 2 or higher. Applications opened at 8am on Tuesday 24 August 2021 and will be available until one month after a nationwide return to Alert Level 1. For more information, see <u>ird.govt.nz/covid-19/business-and-organisations/resurgence-support-payment</u>
- The Leave Support Scheme (LSS). This payment provides a two-week lump sum payment of either \$585.80 per week for full-time workers or \$350 per week for part-time workers who must self-isolate and cannot work from home. The rates increase to either \$600 per week for full-time workers or \$359 per week for part-time workers from Tuesday 24 August 2021. For more information, see workandincome.govt.nz/covid-19/leave-support-scheme/index.html
- The Short-Term Absence Payment (STAP). This payment provides a one-off (once per 30 days) payment of \$350 for workers who must miss work due to a COVID-19 test and cannot work from home. The rate increases to \$359 from Tuesday 24 August 2021. For more information, see workandincome.govt.nz/covid-19/short-term-absence-payment/
- The Small Business Cashflow Scheme (SBCS). This scheme supports small to medium businesses and organisations struggling with a loss of actual revenue due to COVID-19. Applications are open until 31 December 2023. For more information, see <u>ird.govt.nz/covid-19/business-and-organisations/sbcs</u>

We know it may be challenging in the current environment to continue filing returns. However, filing returns ensures information about your businesses is up-to-date and accurate. It will also help support any applications for the Government's COVID-19 relief packages. For details about filing and paying, see ird.govt.nz/covid-19/manage-my-tax/filing-and-paying

We do understand that payment arrangements might need to be made. Businesses that have an amount to pay can set up a repayment plan to pay it over time. This can be for amounts due now or later. For more information, see <u>ird.govt.nz/covid-19/manage-my-tax/filing-and-paying/difficulty-in-paying-tax</u>

If COVID-19 has impacted your business's ability to pay tax on time, a request can be submitted for remission of penalties and interest through myIR. For more information on financial relief, see <u>ird.govt.nz/covid-19/manage-my-tax/penalties-and-interest/requesting-financial-relief</u>

Contacting IR

During the lockdown IR's phone services will be severely limited and the most effective way to contact us will be online and through myIR. Within Inland Revenue, all front office services are now closed and almost all of our staff are working from home. Inland Revenue is still working on all critical matters related to tax entitlements and payment obligations.

Please use our online services to contact us – preferably through your myIR account. We have information on our website <u>ird.govt.nz/covid-19</u>.

The Ministry of Social Development (MSD) is the government organisation responsible for the administration of the wage subsidy. Any questions relating to how and when it is administered should be referred to MSD. There is more detail at <u>workandincome.govt.nz/covid19support</u>.

Support for Māori customers

Our Kaitakawaenga Māori deliver Inland Revenue services in a whānau, hapū and iwi centric way to ensure our Māori customers, have the tools to self-manage their tax affairs whether they are an individual, or in business.

Our Kaitakawaenga Māori advisors can:

- provide one-to-one tax advice and information
- provide tax training and seminars to Māori groups
- provide tax agencies at resource centres or marae
- supply information booklets on a range of different tax obligations.

For more information on our Kaitakawaenga Māori service and other resources visit our Māori landing page <u>www.ird.govt.nz/maori</u>.



This email has been sent to as you have registered this address with Inland Revenue.

Beware of tax related scams

Inland Revenue will never send you an email requesting you to confirm, update or disclose confidential details through an unsecure channel such as email.

You should always independently verify the source and the target URL before taking any action. If you receive a suspicious communication of this nature, do not respond to it or follow any links. Forward it to phishing@ird.govt.nz

For more information about protecting your identity visit ird.govt.nz/identity-security/protect

Please do not reply to this email as this inbox is not monitored.

Inland Revenue, 55 Featherston Street, Wellington, New Zealand.

