



This summary accompanies our webinar: *Other changes coming in 2022*

ird.govt.nz/2022-changes

Child support changes

The Child Support Amendment Act was passed in March 2021.

The remaining changes are being introduced from 1 April 2022 and include changes to:

- Definition of income
- Child expenditure calculations
- Estimations



The Taxation (Annual Rates for 2021–22, GST, and Remedial Matters) Bill includes several proposed remedial changes for child support. These changes are expected to be passed on or before 31 March 2022.

Included are changes to the estimations, time bar and offsetting provisions.

KiwiSaver employee contributions

New ways for employees to request contribution rate changes: myIR and their KiwiSaver scheme provider.

You will receive a list of contribution rate changes sent weekly.

Employers are not required to make a contribution rate change more than once every 3 months.

Working for Families rate changes

	Current rate	New rate
Family tax credit	Eldest child - \$5,878 Additional child - \$4,745	Eldest child - \$6,642 Additional child - \$5,412
Best Start tax credit	\$3,120	\$3,388
Minimum family tax credit	\$31,096	\$32,864
Income abatement rate	25%	27%

Returning employer contributions

A new process for returning employer contributions to the employer account when an employee is no longer a KiwiSaver member.



If an employee has opted out of KiwiSaver or an invalid/incorrect enrolment, any employer contributions made will be refunded or offset against any amount outstanding.

Relief of use of money interest extension

The relief of use of money interest, or UOMI, is being extended for customers that have been significantly adversely impacted by COVID-19. We will be able to remit penalties and interest for tax payments that were due on or after 14 February 2020 up until 8 April 2024 (including provisional tax).

GST: Changes for mixed taxable use



Wash up calculations

Goods and services that have had a complete change of use for longer than 2 years and have been subject to a full wash up will not require annual adjustments.



Apportionment agreements

Any registered person will be able to agree to an apportionment method with Inland Revenue.



Disposal of mixed-use assets

The cap will be removed on most deductions. The cap will remain in place for land disposed of by property developers as an increase in the value of land is directly related to their taxable activity.

Other GST changes



Second hand goods

An amendment will allow for an input tax credit for second-hand goods acquired from an associated person in certain situations



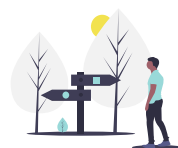
Change basis for calculations

Customers can request to change the basis for calculating GST for a taxable period to match their internal accounting cycle.

Provisional tax: Safe harbour

The requirement to pay provisional tax instalments in full and on time will be removed for customers using the safe harbour option.

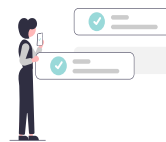
Use of money interest, or UOMI, will only be charged if an amount remains unpaid after the terminal tax due date.



GST: Importing and Exporting

Businesses who deliver goods to non-resident recipients will be able to zero-rate the supply if the non-resident recipient will then export the goods outside of NZ.

The domestic leg of the transport of goods that are being exported or imported can be zero-rated.



GST: Cryptoassets

A cryptoasset is defined as a digital representation of value that exists in a distributed ledger (such as a blockchain) and is secured cryptographically to record the ownership and transactions involving crypto assets.

Fungible cryptoassets will be excluded from GST.

Non-fungible tokens will remain subject to GST if supplied by a registered person.

GST will continue to apply to supplies of goods and services which are bought using crypto assets.



GST: Invoicing and record keeping

There are changes being passed which aim to modernise the GST rules for invoicing and record keeping.

These changes will not be coming into effect until 1 April 2023.



GST: Group rule changes

Upcoming changes aim to provide more legislative certainty for the treatment of GST groups.