



This summary accompanies our webinar: *Other changes to tax and social products 2022*

ird.govt.nz/2022-changes

Relief of use of money interest extension



The relief of use of money interest, or UOMI, is being extended. 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).

If you have already notified IR that you are impacted by COVID-19, you won't need to do anything.

If you become significantly adversely impacted by COVID-19, you can notify IR through myIR or other regular communication channels.

Provisional Tax: Safe harbour



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

UOMI will only be charged if an amount remains unpaid after the terminal tax due date. All other existing qualifications will remain, and late payment penalties will still apply.

Income tax assessment changes



2022 income tax assessments will be updated to include the new 39% tax rate (IR3, IR3NR, CALC, IR9).

Wage and/or other leave subsidies will be considered as reportable income. These will show in myIR and can be included on individual income tax assessments.

We have made a change to our paper select so that anyone who is linked to an intermediary for income tax will no longer receive a paper return pack.

Investment income changes



Customers who meet the 6-month de minimis payment criteria will be able to align the filing of their returns to 6-monthly.

The definition of an end investor will include non-resident custodial institutions.

Time bar



You will no longer be able to amend employment information if it has been 4 years since the return was filed.

Changes can still be made for student loan and/or child support deductions.

Sales suppression software penalty

New penalty regime will prohibit the sale, possession, or use of sales suppression software, which alters sales data in EFTPOS systems to facilitate tax evasion.



More changes

Matariki will be recognised as a public holiday for tax purposes.

The loss carry back key point will be removed from the 2022 income tax returns.

Tax pooling will be extended to PAYE, NRWT, GST, FBT, further income tax, and imputation penalty tax where there is no existing assessment, and a voluntary disclosure is made.

Rate changes

Rates changes that will take effect from 1 April 2022:

Provisional tax early payment discount (EPD)	2%
Employer superannuation contribution tax (ESCT) rate for past employees	33%
ACC earners levy (GST included)	\$1.46
Minimum threshold for ACC earners levy	\$42,465
Maximum threshold for ACC earners levy	\$136,544
Student loan repayment threshold	\$21,268
Student loan interest rate	2.8%
Student loan: Late re-payment interest rate	6.8%
Student loan: Reduced late payment interest rate	4.8%

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.



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%

THANK YOU!