

# New employer information

Everything you need to start employing people and meet your responsibilities

## 1. Getting started as an employer

- You need to register as an employer and deduct tax from employees and contractors who work for you.
- A contractor is a person who works for you but is not your employee. Contractors usually run their own business and invoice you for their services. When you deduct tax from their pay, these are called schedular payments.
- Self-employed people working for you are not your employees. For more information, go to [ird.govt.nz/employment-status](https://ird.govt.nz/employment-status)
- To check if you are an employer, go to [ird.govt.nz/am-i-an-employer](https://ird.govt.nz/am-i-an-employer)

## 2. How to register as an employer

- If you have myIR, go to I want to... > Register for new tax accounts > Registration, applications and enrolment.
- If you do not have myIR, you can register at [ird.govt.nz/myir](https://ird.govt.nz/myir)
- You can use myIR to file returns, send secure messages, and set up direct debit payments to pay your tax.
- Or, you can complete a **New employer registration – IR334** form and send it to us.

## 3. What to deduct from their pay

- You need a completed **Tax code declaration – IR330** form for employees or a **Tax rate notification for contractors – IR330C** form for contractors. You can download these at [ird.govt.nz/form-guides](https://ird.govt.nz/form-guides)
- Deduct tax from your employee's pay using the tax code from their IR330. The tax deducted is called Pay As You Earn (PAYE), and includes an amount paid to Accident Compensation Corporation (ACC), to help cover costs if someone is injured.
- If your employee or contractor does not give you a completed declaration, you must use the non-notified rate and tax code ND. This means you deduct 45% tax plus ACC if this applies, from their pay.
- For contractors paid schedular payments, the IR330C has the percentage rate. Multiply the gross pay (before deductions) by the rate to work out the amount to deduct. You do not deduct student loan or KiwiSaver from schedular payments, but we may ask you to deduct child support. For more information, go to [ird.govt.nz/schedular-payments](https://ird.govt.nz/schedular-payments)
- Deduct contributions for employees who are in KiwiSaver, and offer KiwiSaver enrolment to eligible employees.
- You're required to pay Compulsory Employer Contributions (CEC) for employees enrolled in KiwiSaver. There is a minimum percentage amount you must contribute based on your employee's gross pay. You can choose to pay more. For more information, go to [ird.govt.nz/kiwisaver-employers](https://ird.govt.nz/kiwisaver-employers)
- Deduct Employer Superannuation Contribution Tax (ESCT) from your CEC to go to your employee's KiwiSaver provider. The ESCT rate is based on your employee's annual income. Your employer contributions, less ESCT are passed on to your employee's superannuation scheme by us. For more information, go to [ird.govt.nz/ESCT](https://ird.govt.nz/ESCT)
- Deduct student loan repayments if the employee's tax code ends in 'SL.'
- Deduct amounts for child support if we send you a notice.
- If you pay employees taxable allowances, these are added to their gross pay. For more information about taxable and non-taxable allowances, go to [ird.govt.nz/allowances](https://ird.govt.nz/allowances)
- If you provide benefits to your employees, other than salary or wages, you may need to register for and pay fringe benefit tax. For more information, go to [ird.govt.nz/fbt](https://ird.govt.nz/fbt)

## 4. How to calculate deductions

- Payroll software that meets our requirements, automatically calculates all the necessary deductions for you.
- If you're not using software, you can use our PAYE calculator, go to [ird.govt.nz/payee-calculator](https://ird.govt.nz/payee-calculator)

- You can also use our tax tables that show how much to deduct each payday from your employee's salary or wages. Look up the amount of pay in the tables to find the correct deductions using our **Weekly and fortnightly PAYE deduction tables – IR340** or **4-weekly and monthly PAYE deduction tables – IR341**. You can download these at [ird.govt.nz/form-guides](http://ird.govt.nz/form-guides)

## 5. How to file and pay

File your employment information returns telling us the gross pay and all the amounts deducted from employees and/or contractors, after each payday. Most details are prefilled in your next return. You'll only need to fill in the information that changes each pay day, or when someone starts or leaves. For a full list of required information, see part 4 of the **Employer's guide – IR335**. Go to [ird.govt.nz/ir335](http://ird.govt.nz/ir335)

### Filing due dates

Filing method	Due date	Notes
Online	2 working days after payday	Required if annual PAYE is \$50,000 or more
Paper	10 working days after payday	New employers can use paper for the first 6 months, then switch to online

For more information, go to [ird.govt.nz/payday-filing](http://ird.govt.nz/payday-filing)

### myIR filing options

- On-screen entry: Enter your payroll information directly into the online form. Go to [ird.govt.nz/on-screen](http://ird.govt.nz/on-screen)
- File upload: Upload a payroll file from your computer. Go to [ird.govt.nz/file-upload](http://ird.govt.nz/file-upload)
- Express file transfer: Send your payroll data using a special file transfer system. Go to [ird.govt.nz/express-file-transfer](http://ird.govt.nz/express-file-transfer)
- Gateway services: If you use payroll software, your information goes directly to us. Go to [ird.govt.nz/gateway-services](http://ird.govt.nz/gateway-services)

### Payment due dates

Annual PAYE & ESCT deductions	Monthly	Payment due dates
Less than \$500,000	Monthly	20th of the following month
\$500,000 or more	Twice monthly	20th of the same month (for paydays 1st–15th) 5th of the following month (for paydays 16th–end)

- You can choose to pay deductions before the due date, including at the time you file your employment information returns. However, if you pay late, you may be charged penalties and interest.
- There are several other ways you can pay deductions to us, using internet banking, direct debit, or credit or debit card. To find out more, go to [ird.govt.nz/make-a-payment](http://ird.govt.nz/make-a-payment)
- If you believe you'll be unable to pay by the due date, contact us as soon as possible. If you contact us before the due date, you may be able to reduce penalties that may be charged.

#### Note

It's a serious matter if you do not file on time, or properly work out and pay your employees' PAYE and other deductions. Deductions made from employee and contractor payments must be held on their behalf and paid to us when due. This money cannot be used for any other purpose. There are penalties if you do not meet your responsibilities. For more information about employer penalties, go to part 5 of our **Employer's guide – IR335**.

## 6. Record keeping

You must keep all employment, wage and KiwiSaver records for at least 7 years. For more information, go to:

- PAYE records – [ird.govt.nz/paye-records](http://ird.govt.nz/paye-records)
- KiwiSaver records – [ird.govt.nz/kiwisaver-records](http://ird.govt.nz/kiwisaver-records)