



4 April 2025

[Redacted]  
[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 10 March 2025. You requested the following:

*"In the archives (registered customers by customer groups), the IRD defines customers into several different groups (<https://www.ird.govt.nz/about-us/archived-statistics/inland-revenue-customers/registered-customer-group>). However, it does not explicitly define what the small and medium enterprises are.*

*Second, MBIE's SME's document, it shows IRD has or previously had definitions of micro and small enterprises, i.e., GST 1 million and GST 30 million as a cutoff. However, I haven't seen any corresponding references/statements from the IRD (<https://www.mbie.govt.nz/assets/defining-small-business.pdf>). Does the IRD still use the same definition? Further, does the threshold change across different years? e.g., 1 million in 2005 is different with 1 million in 2015. If the IRD changed the definitions, when did the IRD change them?"*

Small & Medium Enterprise, Not for Profit Micro Business and Significant Enterprises were defined in 2017 as part of Inland Revenue's Business Transformation, which introduced new customer segments to our operating model.

Prior to this Business Transformation, Inland Revenue operated these customer segments under two groups, Service Delivery and Large Enterprises.

As per the defining small business document referenced in your request ([www.mbie.govt.nz/assets/defining-small-business.pdf](http://www.mbie.govt.nz/assets/defining-small-business.pdf)) hosted on The Ministry for Business, Innovation and Employment's (MBIE) website, Inland Revenue defines these customer segments as follows:

- Not for Profit Micro Business - fewer than six employees or by GST turnover of less than \$1million.
- Small & Medium Enterprise – six to 49 employees or by GST turnover of \$1million to \$30million.
- Significant Enterprises – 50 employees or more, or by GST turnover of over \$30million.

The threshold for defining these customer segment groups does not change across different years.

**Publishing of OIA response**

We intend to publish our response to your request on Inland Revenue's website ([ird.govt.nz](http://ird.govt.nz)) as this information may be of interest to other members of the public. This letter, with your personal details removed, may be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you again for your request.

Yours sincerely



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