



22 February 2024

[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 24 January 2024. You requested the following:

- 1) *Please provide the total number of paying parents registered as employees for the past 3 years;*
 - a. *Also, the total number of the aforementioned liable parents who are in arrears and not making payments (please discount any paying parents who have a payment arrangement in place with which they are complying with) for the past 3 years.*
- 2) *Please provide the total number of paying parents registered as business owners, or those who are responsible for making their own monthly payments (as opposed to who have employee deductions) for the past 3 years.*
 - a. *Also, the total number of the aforementioned liable parents who are in arrears and not making payments (please discount any paying parents who have a payment arrangement in place with which they are complying with) for the past 3 years.*

Information being released

The information requested is outlined in the table below. We have interpreted your use of the term 'business owner' to refer to liable parents or debtors who are self-employed. Self-employed includes those who carry out business activity on their own, such as contractors, sole traders and small business owners. We have defined "non-employees" as those who have no taxable income and are therefore responsible for making their own monthly payments, which excludes business owners and employees earning salary and wages.

Liable parents who receive income through salary and wages will have their child support payments deducted from their income source. This includes liable parents who may be self-employed, but who also receive income in the form of salary and wages.

Legislation regarding employer deductions changed in October 2021. This introduced the requirement for all employees to have automatic employer deductions as their method of payment. Prior to this, automatic deductions were only added on liable parents who had defaulted on making a payment or for those who elected to have them.

1) Total number of liable parents registered as employees for 2021 – 2023

Year ending 31 March	Employees
2023	99,356
2022	100,898
2021	114,954

1a) Total number of debtors registered as employees in arrears and not making payments for 2021 – 2023

Year ending 31 March	Employees in arrears and not making payments
2023	3,408
2022	2,527
2021	13,303

2) Total number of liable parents registered as business owners 2021 – 2023

Year ending 31 March	Business owner
2023	6,931
2022	7,498
2021	8,401

2a) Total number of debtors registered as business owners in arrears and not making payments for 2021 – 2023

Year ending 31 March	Business owner and not making payments
2023	1,048
2022	996
2021	2,248

3) Total number of non-employee liable parents for 2021 – 2023

Year ending 31 March	Non-employee
2023	23,187
2022	23,334
2021	21,419

3a) Total number of non-employee debtors in arrears and not making payments for 2021 – 2023

Year ending 31 March	Non-employee and not making payments
2023	12,141
2022	11,376
2021	12,869

Please note that a liable parent cannot be registered for employer deductions while/if:

- They have an open child support estimation of income case
- They have no active employee/employer relationship
- The customer is an employee but has no employer with a primary tax code (if the employee uses the WT tax code, a child support payment plan with employer deductions can be added in certain circumstances)
- They are a newly liable customer for the current child support year and the date for deductions to start is not due to start between 16 – 31 March. In this situation, the customer will have deductions set from 1 April
- For the arrears portion of their liability, they have an open application for a relief case or Liable Parent Legal Enforcement case
- Their pay frequency is ad-hoc or irregular or daily. This may apply to monthly payday customers where their pay falls on a different day each month.

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (www.ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, will 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 for your request.

Yours sincerely



Sue Gilles

Customer Segment Leader – Families