



25 July 2022

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 1 July 2022. You requested the following:

The information requested is total annual revenue for individual income tax, partitioned by tax rates. For example, individuals pay 10.5% tax on income up to \$14,000. What is the total income tax revenue for this band, and the other bands (17.5%, 30%, 33%, 39%) in 2021, 2020, 2019, 2018, and 2017?

For example, if the total revenue for individual income tax in 2021 was \$44.1B; what portion of that total revenue came from each of the different tax rates?

This request is for the above data for the last 5 years. If some of the data is missing due to changes in tax rates please omit the missing data while attempting to include as much data as possible. If a larger dataset is easily available at the time of processing this request then please do include more years.

The information that you have requested can be calculated using information that is provided on the Inland Revenue website at <https://www.ird.govt.nz/about-us/tax-statistics/revenue-refunds/income-distribution>. This data will be refreshed and updated to include the 2020-21 income year distribution in the coming months. Taxpayers with an extension of time were not required to file their income tax return for the 2020-21 year until 31 May 2022 (see <https://www.ird.govt.nz/covid-19/business-and-organisations/31-march-due-date-extensions>). The data presented below is taken from Inland Revenue systems in early July 2022 and may not be complete.

There are two ways to interpret your question:

- 1) the total amount of tax paid by individuals based on the marginal tax rate of the individual, and
- 2) the amount of tax that is collected from individuals based on all the tax rates that "collected" the tax from that individual.

For example, a person who earned \$75,000 in the 2020-21 income year (1 April 2020 – 31 March 2021) would be in the 33 percent tax bracket. Method 1) would put all the tax paid by this person into the 33 percent tax bracket. The results of following this method are provided in Table one below.

Alternatively, with Method 2) \$1,470 of the tax paid by that individual would be collected at the 10.5% tax rate, a further \$5,950 would be collected at the 17.5% tax rate, \$6,600 at 30% and \$1,650 at 33%. The results of following this method are provided in Table two below.

Both methods use the same income and tax data. A detailed description of what is included in this data is available in the link provided above. Note that coverage has changed through time.

Table one¹

Income tax from resident individuals by the marginal tax bracket of the individual, \$m					
	2016-17	2017-18	2018-19	2019-20	2020-21
10.5%	523.0	521.2	485.5	437.1	321.7
17.5%	6,725.3	6,880.2	6,806.3	6,623.9	6,608.0
30.0%	6,406.1	6,765.2	7,010.9	7,308.4	7,375.5
33.0%	20,306.4	22,300.8	24,268.9	26,485.3	30,672.1
Total	33,960.7	36,467.3	38,571.6	40,854.7	44,977.2

Table two

Income tax from resident individuals by the tax bracket that "collected" the tax, \$m					
	2016-17	2017-18	2018-19	2019-20	2020-21
10.5%	4,874.7	5,021.9	5,130.0	5,116.6	5,110.6
17.5%	11,680.6	12,394.6	12,969.4	13,435.8	13,623.6
30.0%	6,278.9	6,800.8	7,272.8	7,792.2	8,063.0
33.0%	11,126.5	12,249.9	13,199.4	14,510.2	18,180.0
Total	33,960.7	36,467.3	38,571.6	40,854.7	44,977.2

Publication of response

Please note that Inland Revenue regularly publishes responses that may be of interest to the wider public on its website. We consider this response is of public interest so will publish this response in due course. Your personal details or any information that would identify you will be removed prior to it being published.

Thank you again for your request.

Yours sincerely



Sandra Watson
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¹ Tables may not add precisely due to rounding