



19 July 2023

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 25 June 2023. You requested the following regarding the declaration used in applications for the COVID-19 Support Payment (CSP) and Resurgence Support Payment (RSP):

1. *Any IRD internal guidance, communications or directives to its staff that relate to the definition of the word "apply" as it is used in the specific declaration above.*
2. *Any IRD external guidance, communications or directives made publicly available that relate to the definition of the word "apply" as it is used in the declaration above.*
3. *Any information made publicly available that provides guidance on the specific declaration.*

*Please answer the following questions as they relate to the specific declaration above.*

4. *Could applicants "apply" RSP funds to business expenses incurred prior to the application for the RSP funds being made and the funds being received by the applicant?*
5. *If the answer to question 3 above is "yes" then under what circumstances could a business "apply" and put to use RSP funds to those incurred prior business expenses?*
6. *Could RSP funds be applied to reimburse business expenses incurred prior to a business receiving the RSP funds where the business expenses had already been paid by the business prior to receiving RSP funds?*
7. *Could RSP funds only be used to make direct transaction payments to business expenses?*
8. *If the answer to question 7 above is "no" then under what circumstances could a business "apply" RSP funds to business expenses?*

### **Items 1, 2 and 3**

There are no specific guidance, communications, or directives from Inland Revenue that relate to the definition of the word 'apply' in the declaration for CSP and RSP applications. Therefore, your request for this information is refused under section 18(e) of the OIA, as the documents alleged to contain the information requested do not exist.

As it may be useful, please see the attached document with extracts of information from Inland Revenue's knowledge centre website (Te Matawai) and online training modules (Atea Learning) regarding both the CSP and RSP.

The RSP declaration, which applicants had to agree with as part of their RSP application in addition to agreeing to the terms and conditions, states that:

- "The applicant will apply this Resurgence Support Payment to business expenses only, including wages, capital expenditure and core operating costs.
- The Resurgence Support Payment will not be passed through to any shareholders, owners, partners, trustees, members of the business, for example, by a dividend or a loan or any other payment."

Inland Revenue's website, in turn, states "if you have received a RSP, the Terms and Conditions you agreed to when you applied for the RSP state what it can and cannot be spent on. The payment must be used to cover business expenses."

**Question 4 and 5**

If the business expense had been incurred (i.e., definitively committed to), but not yet paid, prior to receipt of the RSP, the payment could be used to pay for such business expenditure. For example, if the business had an invoice from a supplier that it had not yet paid prior to receipt of the RSP, it could then use the RSP to pay that invoice.

**Question 6**

RSP funds could not be applied in this circumstance. If the business expense had already been paid, this would not constitute a case that the RSP had been applied to the business expense. Please see the attachment provided for item one for a table comparison referring to what the RSP "can and cannot be spent on" (i.e., it is not referring to business expenses that had already been paid).

**Question 7 and 8**

Yes, provided that, as noted above for Question 6, the RSP is used for business expenses.

**Right of Review**

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: [commissionerscorrespondence@ird.govt.nz](mailto:commissionerscorrespondence@ird.govt.nz).

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: [info@ombudsman.parliament.nz](mailto:info@ombudsman.parliament.nz).

If you choose to have an internal review, you can still ask the for a review of my decision.

**Publishing of OIA response**

Please note that Inland Revenue regularly publishes responses to requests 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 for your request.

Yours sincerely



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