



20 July 2023

[REDACTED]
[REDACTED]

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 21 June 2023. You requested:

- 1) *Would an ACC claimant who receives weekly LOPE payments be eligible to receive in work tax credits?*
- 2) *Can I please be provided with all of IRD's policies/documents/etc that speak on the topic of LOPE and how each step is set out (how taxes are paid, how the MSD/WINZ is paid back for benefits of LOPE is backdated to specific years, etc).*

On 5 July 2023, the second part of the second item of your request was transferred to the Accident Compensation Corporation (ACC) for response.

Question 1

Eligibility for Loss of Potential Earnings (LOPE) weekly payments is determined and administered by ACC.

General information about ACC and LOPE payments, including about eligibility, is published on ACC's website (acc.co.nz) or at [Getting paid if you can't work - weekly compensation \(acc.co.nz\)](#).

In-work tax credits (IWTC) are payments for families who are not receiving an income-tested benefit or student allowance, and have some income from paid work each week. However, depending on their individual situation, a person may be entitled to IWTC if they receive income from ACC.

General information about IWTC is published on Inland Revenue's website or at [Types of Working for Families payments \(ird.govt.nz\)](#). As eligibility for IWTC depends on a person's individual circumstances, we would recommend that a person obtains specific advice by contacting Inland Revenue via their myIR account on our website (ird.govt.nz).

Question 2

As ACC determines eligibility for LOPE and administers the payments, Inland Revenue does not have any specific policies or documents about when or how ACC pays back MSD.

LOPE is taxed in the same manner as compensation for loss of earnings. PAYE is deducted by ACC in the usual manner according to a person's tax code. Inland Revenue does not have any specific policies or documents about the taxation of LOPE.

Therefore, this part of your request is refused under section 18(e) of the OIA, as the document alleged to contain the information requested does not exist.

If a person is going to receive ACC payments, it is important that they are on the correct tax code. If someone is expecting to receive a substantial back payment, they should consider applying for a tailored tax code. More details are on our website at [Which tailored tax option is right for me? \(ird.govt.nz\)](http://ird.govt.nz/which-tailored-tax-option-is-right-for-me).

Rights 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: 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 at: info@ombudsman.parliament.nz. If you choose to have an internal review, you can still ask the Ombudsman for a review.

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 that this response is of public interest so will publish this response in due course. Your personal details, and any information that would identify you, will be removed before it is published.

Thank you for your request.

Yours sincerely



Sue Gillies

Customer Segment Leader, Families