



9 June 2022

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 11 May 2022. [REDACTED]

You referred to information published on Inland Revenue's website, and requested:

- 1) *Number of IR420: Fringe Benefit Tax returns filed from 2016 – 2020. I currently only have data up to 2016 as per the IRD website, refer to the attached file.*
- 2) *Also, what prompted/driver behind the fall of "FBT (IR420) filers dropped 31% (from 22,725 to 15,773) from 2007 – 2016" per IRD website?*
- 3) *Total amount of Fringe Benefit Tax(\$) paid by employers for the last 5 years/ average FBT paid per Organisation/Reporting Entity*
- 4) *Number of Digital Service Providers(DSP's) that have direct filing capability with the IRD – and names if possible*
- 5) *Updated breakdown of filing between eFiling, Web (On-line) Filing & Paper-based Filing 2021 or most recent, I only have the 2016 data as per the IRD website, see below [graph: Returns by Filing Channel – 2016 tax year]*
- 6) *Any other additional information/statistics available regarding FBT returns, FBT filing methods (efiling vs paper) and the number of organisations submitting FBT returns would be much appreciated.*

Fringe Benefit Tax

Fringe benefit tax (FBT) returns can be filed quarterly (with an IR420 form), by income year (IR421) or annually (IR422). Filing frequency depends on the type of employer, the benefits provided and how much tax the employer pays.

You can find out about FBT and the different rates in the *Fringe benefit tax guide* (IR409) on Inland Revenue's website (ird.govt.nz) by searching for 'IR409' or at the link: [ir409-2022.pdf \(ird.govt.nz\)](http://ird.govt.nz/ir409-2022.pdf).

Questions 1, 3 and 6: Information about FBT returns and filers

The information requested is provided on the next page for the tax years ended 31 March. The information has been sourced from FBT returns.

Question 1: Number of FBT returns filed from 2016 to 2020

Table 1 provides the numbers of annual, quarterly and income-year FBT returns.

Table 1: Number of FBT returns (not number of customers) for tax years ended 31 March

Number of FBT returns				
Tax year	Filed annually (IR422)	Filed quarterly (IR420)	Filed by income year (IR421)	Total filed
2016/17	3,858	55,148	3,747	62,753
2017/18	3,689	53,206	4,632	61,527
2018/19	3,800	52,534	4,986	61,320
2019/20	3,774	51,239	4,597	59,610
2020/21	3,723	49,951	4,028	57,702

Question 3: FBT paid by employers for the last five years, and the average FBT paid per reporting entity

Table 2: Total FBT (\$ million) returned by employers for tax years ended 31 March

Total FBT returned by				
Tax year	Annual filers (IR422) \$ m	Quarterly filers (IR420) \$ m	Income-year filers (IR421) \$ m	Total \$ m
2016/17	21.6	484.9	7.5	514.0
2017/18	24.1	522.7	10.2	557.0
2018/19	26.0	532.1	10.8	568.9
2019/20	28.5	554.1	10.3	592.9
2020/21	29.1	542.4	9.4	580.9

Table 3: Average FBT (\$) per reporting entity for tax years ended 31 March

Average FBT returned by				
Tax year	Annual filers (IR422) \$	Quarterly filers (IR420) \$	Income-year filers (IR421) \$	Overall average per entity \$
2016/17	5,611	31,898	1,996	22,539
2017/18	6,532	36,589	2,205	24,639
2018/19	6,843	37,210	2,163	24,646
2019/20	7,553	40,223	2,239	26,774
2020/21	7,814	40,129	2,349	27,332

Question 6: FBT filing methods and number of taxpayers filing FBT returns

Table 4: Number of taxpayers filing FBT returns for the tax years ended 31 March

Number of taxpayers filing				
Tax year	Annual returns (IR422)	Quarterly returns (IR420)	Income-year returns (IR421)	Total returns
2016/17	3,858	15,201	3,747	22,806
2017/18	3,689	14,286	4,632	22,607
2018/19	3,800	14,301	4,983	23,084
2019/20	3,774	13,775	4,594	22,143
2020/21	3,723	13,516	4,015	21,254

Question 2: What prompted the fall of “FBT (IR420) filers dropped 31% (from 22,725 to 15,773) from 2007–2016”

The primary purpose of the OIA is to allow people to seek information that is held by an agency, rather than to seek an agency’s opinion or explanation. An opinion or explanation is therefore not considered official information that Inland Revenue must provide under the OIA. You can refer to the Ombudsman’s guide, *Making official information requests – A guide for requesters*, on their website (ombudsman.parliament.nz) for more information.

Question 4: Number and names of Digital Service Providers that file directly

No digital service providers have the ability to file FBT returns directly to Inland Revenue via our gateway services.

Question 5: Updated breakdown of filing methods

Table 5: Filing methods for returns received for the 2022 tax year (1 April 2021 to 31 March 2022)

Return type	Filing method		
	Web (online) filing %	Paper-based filing %	e-Filing %
FBT	99%	1%	0%
GST	97%	3%	0%
IR15P	99%	1%	0%
IR3	99%	0%	1%
IR348	99%	1%	0%
IR4	99%	0%	1%
IR6	98%	1%	1%
IR7	98%	0%	1%
Average filing method	98.5%	1%	0.5%

Publishing of OIA responses

Please note that Inland Revenue regularly publishes responses to requests that may be of interest to the wider public on our website. Your personal details will be removed before the response is published, as will any other information that would identify you.

Thank you for your request.

Yours sincerely



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