



1 May 2026

[Redacted]
[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 2 April 2026. You requested the following:

- *Inland Revenue's policies, procedures, and guidelines for handling third-party allegations of undeclared income or incorrect Working for Families claims.*
- *The criteria or thresholds used to determine whether such allegations are investigated.*
- *General guidance on how Inland Revenue verifies income and working hours in relation to Working for Families entitlements.*

Background

As you may know, there are four types of Working for Families (WfF) payments: the Family tax credit (the main WfF payment), Best Start, the Minimum family tax credit, and the In-work tax credit. All of the payment types customers qualify for are combined into a single amount and paid directly into their bank account.

Inland Revenue will take into account a range of factors when assessing claims for WfF. This includes whether the claimant qualifies as the principal caregiver, the number and age of the children in their care, any shared care arrangements and their family scheme income (FSI). FSI includes the taxable income of the customer and any partner, plus or minus any adjustments like child support payments. Principal caregivers need to keep in contact with Inland Revenue to inform of changes to their circumstances (such as changes to their income or working hours, relationship or children in their care) as this may impact their entitlement.

At the end of the year Inland Revenue will 'square up' any entitlement received throughout the year compared to what should have been paid once the total FSI earned is known. This is based on employer information for those who receive salary or wages, or after end of year tax returns are filed for customers who are required to file a tax return (for example self-employed).

Third party information

We cannot provide specific internal policies, procedures, guidelines, criteria and thresholds you requested, nor detailed information on how Inland Revenue receives, assesses, and acts on third party allegations. These relate to Inland Revenue's compliance and investigative practices, and releasing this information could reasonably be expected to prejudice the integrity of the tax system and the maintenance of the law, including by enabling individuals to alter their behaviour to avoid detection or enforcement activity.

Accordingly, part of your request is refused under section 18(c)(i) of the OIA, as making the requested information available would be contrary to the provisions of a specified enactment, namely Inland Revenue's confidentiality obligation in section 18(3) of the Tax Administration Act 1994 (TAA).

However, we can provide some general information that may be of interest to you. Inland Revenue has a number of systems, processes and tools at its disposal to make it easy to get taxes and entitlements right, and to stop people avoiding their obligations, whether deliberately or accidentally. Inland Revenue also uses data provided by Government agencies and other third-parties, alongside a range of analytics to protect the integrity of the tax system by spotting suspicious activity and identifying trends and patterns.

When we receive information about a WFF customer or suspect that something isn't right, we may contact customers to help confirm their circumstances, investigating or auditing their accounts or as a last resort taking legal action.

The two documents included in the table below may be of interest to you. These outline (respectively):

1. The principles and considerations applied when Inland Revenue is considering prosecution action; and
2. How Inland Revenue works to ensure people pay the right tax, including how non-compliance is identified (such as from anonymous tips or third-party data) and addressed.

Item	Description	Website address
1.	Inland Revenue Prosecution Guidelines	https://www.taxtechnical.ird.govt.nz/-/media/project/ir/tt/pdfs/commissioner-s-statements/2026/cs-26-01.pdf?modified=20260202021510
2.	How we make sure people are paying the tax they're required to	https://www.ird.govt.nz/about-us/how-we-make-sure-people-pay-the-right-tax

Right of review

If you disagree with my decision on your OIA request, you have the right to ask the Ombudsman to investigate and review my decision under section 28(3) of the OIA. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

Publishing of OIA response

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

Yours sincerely



Sue Gillies

Customer Segment Leader – Families Customer Segment