

11 May 2026

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 16 April 2026. You requested the following, itemised for ease of understanding:

I am requesting information relating to the Child Support scheme administered by Inland Revenue, specifically the formula used to calculate payments and the assumptions underpinning it.

Formula and methodology

1. *A detailed explanation of the Child Support formula currently in use, including:*
 - *all variables used*
 - *how each variable is calculated*
 - *how final payment amounts are determined.*
2. *Copies of any technical documentation, guidance, or internal manuals that explain the formula in full.*

Assumptions and cost modelling

3. *Any modelling, research, or analysis used to determine:*
 - *the estimated cost of raising a child at different income levels*
 - *how those costs are shared between parents.*
4. *The basis for the "living allowance" used in the formula, including:*
 - *how the amount is set*
 - *what expenses it is intended to cover*
 - *any reviews or updates to this figure.*

Income treatment

5. *A description of what forms of income are included and excluded in the Child Support formula, including:*
 - *taxable income*
 - *benefits*
 - *Working for Families tax credits*
 - *other government transfers or supplements.*
6. *Any analysis or advice relating to the treatment of government support payments (including benefits and tax credits) within the formula.*

Questions 1, 2 and 3

I am refusing questions 1, 2 and 3 of your request under section 18(d) of the OIA, as the information and documents you have requested are publicly available.

Child support is calculated using a statutory formula and is set out in full in the Child Support Act 1991 (CSA). The specific formula used is found under section 30 of the CSA and explanations of the variables used are detailed throughout the legislation. A copy is publicly available here: [Child Support Act 1991 | New Zealand Legislation](#).

A detailed explanation of the child support formula can be found through the following links or by searching for them on Inland Revenue's website (ird.govt.nz):

- [How formula assessments work](#) – details the formula assessment components.
- [Child support rates](#) – details the amounts used in the formula assessment for the living allowance, minimum rate of child support and the inflation factor.

As part of the formula, Inland Revenue applies standardised child expenditure amounts, which represent the average percentage of income that is spent on supporting children in New Zealand.

These amounts are reflected through the child expenditure tables prescribed in legislation and published annually on Inland Revenue's website: [Child's age and related spending levels](#).

The tables do not reflect a parent's actual expenses or the specific costs of an individual child. They provide a consistent and standardised way of recognising child related costs within the formula.

The data that is used in determining the tables yearly figures is from the average weekly earnings held by Stats NZ, which is publicly available in yearly reports on their website: [Home | Stats NZ](#), by searching *Labour market statistics (income)*.

When calculating a formula assessment, Inland Revenue:

- Applies the child expenditure tables to determine the total child expenditure amount, based on the parents' combined child support income, the number of children, and the child's age group (0–12 years or 13 years and over),
- Allocates this amount between the parents according to their respective child support income percentages, after applying legislated living and dependent child allowances, and
- Adjusts each parent's share to recognise the level of care they provide, using care cost percentages prescribed in legislation.

Inland Revenue applies the child expenditure tables and care cost percentages strictly as set out in the CSA. Inland Revenue's role is limited to updating the Average Weekly Earnings figure used in the statutory formula, based on Stats NZ data.

Question 4

The living allowance used in the child support formula is set by Inland Revenue in accordance with the CSA. The amounts used are based on the main benefit rates and adjusted for inflation

to reflect basic living costs. For parents receiving a Support Living Payment benefit, a higher living allowance amount is applied to the formula assessment.

The allowance is a standardised amount that is reviewed and updated annually. It is applied from 1 April each year and is deducted from a parent's taxable income when calculating their child support formula assessment. The figures do not reflect individual circumstances or actual expenses that parents may have.

Inland Revenue has no policy on what expenses the living allowance is intended to cover. Therefore, this part of your request is refused under section 18(e) of the OIA, as the information requested does not exist.

Question 5

The child support formula includes all income that is taxable, this includes income sources that are taxed at source (e.g. salary and wages) and not taxed at source (e.g. self-employed income).

Non-taxable income is excluded from the formula. Non-taxable income sources include, but are not limited to, some allowances from Work and Income (such as the accommodation allowance), Working for Families Tax Credits and other government transfers or supplements.

Question 6

Inland Revenue does not hold any analysis or advice relating to the treatment of government support payments within the formula. Therefore, this part of your request is refused under section 18(e) of the OIA.

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