



19 November 2025

[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), transferred to Inland Revenue from the Treasury on 21 October 2025. You requested the following:

... all documents (not including communications such as email) related to: efforts to increase the repayment of Small Business Cash Flow Loans; the total debt related to those loans in or near default; the likelihood that the debt will be repaid; the number of business insolvencies tied to Small Business Cash Flow Loans repayment and default.

Please cover the period March 1 2025 to today

The OIA requires that we advise you of our decision on your request no later than 20 working days after the day we received your request. Unfortunately, for one item in scope of your request, it will not be possible to meet that time limit and we are therefore writing to notify you of an extension of the time to make our decision on that item by 5 working days.

This extension is required, pursuant to section 15A(1)(b) of the OIA, because consultations necessary to make a decision on your request are such that a proper response cannot reasonably be made within the original time.

You will be notified of our decision on the document in question no later than 26 November 2025.

Information publicly available

The document *BN2025/230 – Small Business Cashflow (Loan) Scheme briefing note*, has been published in the response to another OIA request, and can be found via the following link: [2025-07-22-copies-of-bn2025-215-bn2025-230-bn2025-247-and-bn2025-251.pdf](#).

Inland Revenue's 2025 Annual Report details the closing nominal value and closing fair value of the Small Business Cashflow (Loan) Scheme (SBC). You can find this information on pages 150 to 152 of the annual report, which can be found via the following link: [Inland Revenue Annual Report Te Tari Taake Pūrongo ā-Tau 2024-25](#). Information can also be found in the 2025 Vote Revenue Budget Estimates, found on the [budget.govt.nz](#) website.

Information being released

I am releasing the relevant parts of two documents in scope of your request, detailed in the table below. Some information has been withheld under section 18(c)(i) of the OIA, as the making available of that information would be contrary to the provisions of section 18(3) of the Tax Administration Act 1994. The Commissioner is not required to disclose any item of revenue information if the release of the information would adversely affect the integrity of the tax system or would prejudice the maintenance of the law.

Item	Date	Document	Decision
1.	22/05/2025	Quarterly performance and debt reports for January to March 2025	Releasing relevant parts.
2.	27/08/2025	Quarterly performance and debt reports for April to June 2025	Releasing relevant parts with some information refused under section 18(c)(i) of the OIA.

Inland Revenue undertakes outbound contact campaigns and marketing to emphasise the importance of repaying loans, including the consequences of non-payment such as the application of a default interest rate and the possibility of legal action. Customers are encouraged to check their loan status through myIR and to proactively engage if they are experiencing financial hardship.

Inland Revenue monitors the ongoing performance of the SBC scheme and while regular reporting does not contain the information requested, in the spirit of the OIA I can provide the following information:

Loan Repayment and Default Overview as at 21 October 2025

- Total loan balance: \$748,210,762
- Total SBC loan debt (defaulted loans): \$447,950,223
- Number of Defaulted loans during 1 March and 21 October 2025: 19,297 (124 insolvent)
- Total repayments received to date: \$1,683,853,004
- Repayments received between 1 March and 21 October 2025: \$171,071,314
- Customers with outstanding balances: 54,719

Repayment Plans as at 21 October 2025

- Active repayment plans: 33,784
- Repayment plans behind schedule: 16,500 (48.8% of total plans)

Debt Write-Offs during 1 March and 21 October 2025

The total amount written off is \$18,447,421. Of this, 71% relates to insolvency, liquidation, bankruptcies or being struck off companies

Recovery and Engagement Efforts

- A marketing campaign commenced in March 2025, including digital and social media advertising, newsletters to tax agents, and letters to customers. The campaign aimed to raise awareness of the loan term expiry and encourage repayment to avoid interest charges.
- An outbound calling campaign began in February 2025, targeting customers behind on repayments or in default. To date, approximately 9,000 customers have been contacted, resulting in the recovery of \$14 million in SBCS debt.

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



Melissa Osborne

Group Lead – Micro Business

Item 1

Not in scope

back on track. Additionally, we have started marketing campaigns to encourage customers to contact us to discuss repayment options.

Not in scope

Small Business Cashflow Scheme (SBCS) repayments: Total SBCS loan balance has reduced to under \$1 billion, with over 26,000 businesses actively repaying, and 17,000 businesses in default. Currently, 19 prosecutions for cases of fraud (SBCS and other tax) are before the courts.

In May 2025, 13,400 loans worth \$126.3 million will become overdue if not paid. We are contacting customers with missed payments to help them get

Item 2

Not in scope

Small Business Cashflow Scheme (SBCS) repayments: As of 30 June 2025, the total overdue SBCS loan balance increased to \$386.6 million, up from \$225.3 million in March this year. The significant increase includes businesses whose loan term expired from May 2025 onwards, triggering the application of an additional default interest rate of 10.88%.

In the lead-up to May 2025, when approximately 12,570 SBCS loan terms were due to expire, we ran targeted marketing campaigns to raise awareness about the potential application of default interest on overdue loans and encouraged customers to arrange repayments. Campaigns spanned digital advertising, social media, newsletters to tax agents, and direct customer outreach. Of the 18,200 (approximate) customers contacted directly, 6.6% have repaid their loan in full, and 6.8% have entered a new repayment plan.

Nearly 27,580 businesses were in default or had missed their repayments as at 30 June 2025. We continue to provide targeted support to customers with missed or defaulted payments to help them get back on track – our recent campaign (started in February 2025) has collected approximately \$10 million in SBCS and other tax debt. 11 prosecutions for cases of fraud (SBCS and other tax) are underway and 1 cases are awaiting sentencing.

Child Support debt: As of 30 June 2025, 75.8% of child support customers are paying in full and on time, resulting in \$426 million being passed on to receiving carers.

Not in scope



26 November 2025

[Redacted]
[Redacted]

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... all documents (not including communications such as email) related to: efforts to increase the repayment of Small Business Cash Flow Loans; the total debt related to those loans in or near default; the likelihood that the debt will be repaid; the number of business insolvencies tied to Small Business Cash Flow Loans repayment and default.

Please cover the period March 1 2025 to today

On 19 November 2025, we extended the time to make a decision on one item in scope of your request by 5 working days.

Information being withheld

I am withholding the relevant parts of the remaining document in full under section 9(2)(ba)(i) of the OIA. The withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.

However, in the spirit of the OIA, I am providing the following summary of the information being withheld.

Summary

Inland Revenue (IR) has proactively initiated several communication strategies to ensure borrowers are well-informed about their financial obligations. These efforts include marketing campaigns through digital advertising, social media releases, and newsletters aimed at tax agents. IR has issued personalised reminder letters to 18,233 customers which resulted in 6.6% of these customers repaying their loans in full and 6.8% entering into new payment arrangements. A further 24.5% of the recipients of the personalised reminders engaged with the communication through myIR.

IR's compliance activities included targeted outbound campaigns, reaching out to about 6,000 customers who missed payments and 1,500 who defaulted. This activity led to the recovery of approximately \$10m in SBC and other tax debts.

While IR does not currently plan to undertake any additional marketing campaigns, we are monitoring loan volumes and will initiate targeted campaigns as necessary.

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