



15 October 2021

[REDACTED]  
[REDACTED]  
[REDACTED]

Dear [REDACTED]

Thank you for your request of 17 September 2021, made under the Official Information Act 1982 (OIA). You requested:

1. *How many complaints about abuse of the wage subsidy has the IRD received since March 2020?*
2. *How many complaints were dealt with by the IRD and how many were assessed and sent to the MSD for investigation and/or prosecution?*
3. *In addition to the above, how many IRD staff were seconded to the MSD to work on checking wage subsidy payments and during which months?*
4. *Will those who received payments relating to the August / September 2021 lockdown from the IRD have to provide verifying evidence that they were eligible for the payments?*

The wage subsidy scheme (WSS) is administered by the Ministry of Social Development (MSD). MSD processes applications for the WSS and makes the payments. Applications for the WSS are verified against information held by Inland Revenue.

**Question 1: Number of complaints Inland Revenue has received since March 2020 about abuse of the WSS**

We have received 328 complaints about potential abuse of the WSS.

**Question 2: Number of complaints dealt with by Inland Revenue, and number of complaints sent to MSD for investigation and/or prosecution**

For 318 of the WSS complaints, we responded to the customer with an outcome of their complaint. We referred 10 of the complaints to MSD.

Inland Revenue does not have information on the outcomes of any referrals made to MSD. We are therefore unable to determine how many of those complaints resulted in investigation or prosecution. This part of your request is refused under section 18(g) of the OIA, as Inland Revenue does not hold the information.

**Question 3: Number of Inland Revenue staff seconded to MSD to check WSS payments, and during which months**

Over the three-month period from late June 2021 to September 2021, nine Inland Revenue staff members were seconded to MSD.

The seconded staff members assisted MSD in undertaking integrity reviews on a sample of wage subsidy payments from March 2020. This was in response to a recommendation

by the Controller and Auditor-General's review of the 2020 WSS. You can read about the review on the Office of the Controller and Auditor-General's website at: [oag.parliament.nz/media/2020/wage-subsidy](https://oag.parliament.nz/media/2020/wage-subsidy)

This work was interrupted as a result of the most recent activation of the WSS.

Secondments for four of the staff members ended on 24 September 2021. The secondments of the other five staff members have been extended until the end of November 2021 to continue this work.

**Question 4: If people who received payments from Inland Revenue regarding the August / September 2021 lockdown have to provide verifying evidence that they were eligible for the payments**

MSD processes applications for the wage subsidy and determines an applicant's eligibility. Information on the application is verified against information held by Inland Revenue.

This can be confirmation that a person is an employer, confirmation of how many employees an employer has, if a person is self-employed or a shareholder employee.

You can find more details on Work and Income (part of MSD)'s website ([workandincome.govt.nz](https://workandincome.govt.nz)) or at the link: [What we check before approving a COVID-19 Wage Subsidy August 2021 application - Work and Income](#)

The web page above states that business information is validated with Inland Revenue before payments are made. The web page also sets out the serious consequences if an applicant provides false or misleading information, fails to meet any of the obligations for using the subsidy, or receives a subsidy that they are not entitled to.

**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 the Commissioner of Inland Revenue at: [CommissionersCorrespondence@ird.govt.nz](mailto: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 by email at: [info@ombudsman.parliament.nz](mailto:info@ombudsman.parliament.nz).

Thank you for your request.

Yours sincerely



Richard Owen  
**Customer Segment Leader**