



31 October 2022



Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 30 September 2022. You requested the following:

- 1. How many businesses did IRD find which did not comply with the terms and conditions of the RSP payments, since its introduction? How many of these businesses classify as "Uber" or "Taxi"?*
- 2. How many businesses did IRD find which did not comply with the terms and conditions of the CSP payments, since its introduction? How many of these businesses classify as "Uber" or "Taxi"?*
- 3. How many businesses did IRD find which did not comply with the terms and conditions of SBCS? How many of these businesses classify as "Uber" or "Taxi"?*
- 4. If businesses are found to be in breach of the conditions then are there repayments received/ordered?*
- 5. And if someone is not in the financial position to repay, then in the event of a settlement for less, what is the amount of bad debt to IRD?*

### Questions 1 -3

Our interpretation of businesses which "did not comply with the terms and conditions", is where a business received a payment or loan and has subsequently been found not to meet the criteria.

Inland Revenue undertook data screening throughout the application process for each payment. When a business or organisation (including sole-traders) was found not to have met the eligibility criteria through our compliance checks, the application was rejected and no payments were issued. More information on our pre-payment checks can be found on pages 32 and 33 of Inland Revenue's 2022 Annual Report which can be found here: <https://www.ird.govt.nz/-/media/project/ir/home/documents/about-us/publications/annual-and-corporate-reports/annual-reports/annual-report-2022.pdf?modified=20221026002653&modified=20221026002653>

The following table outlines the total number of businesses or organisations identified by Inland Revenue who received a payment and then did not meet the terms and conditions for the Resurgence Support Payment (RSP), COVID-19 Support Payment (CSP) or the Small Business Cashflow Scheme (SBCS) as at 13 October 2022.

Please note that these numbers reflect the specific number of businesses or organisations that have a repayment event in place. A business or organisation may have defaulted on multiple payments. For example, a business found to be in breach of the terms and conditions of multiple RSP payments is only counted once in the RSP row of the table below. However, a business found to be in breach of the terms and conditions of a RSP and a CSP would be counted once in each corresponding row.

Number of businesses in breach of the Terms and Conditions of their payment/loan		
Payment	All industries	Taxi and Other Road Transport
<b>RSP</b>	720	54
<b>CSP</b>	433	45
<b>SBCS</b>	4,284	179

*\*'Taxi and Other Road Transport' includes holders of passenger service licences (including taxi owners, shuttle van operators and Uber).*

## Questions 4 and 5

### RSP and CSP

If a business or organisation is found to be in breach of the terms and conditions of the RSP or CSP payments, a debt is created. When a business or organisation is unable to repay the debt in full, alternatives can be considered. For example, Inland Revenue can consider an appropriate repayment plan over time. All cases are individually assessed based on each customer's financial position.

We have interpreted "the amount of bad debt to IRD" to mean what is the amount of debt that has been written off for the RSP and CSP. As at 13 October 2022, no debt relating to RSP or CSP has been written off, as most of the businesses or organisations who have been found to be in breach of the terms and conditions of their payments, have either paid their debt in full, or entered into an instalment arrangement.

### SBCS

When a business or organisation defaults on the terms and conditions of their loan, a repayment in full is required immediately. This is advised via a default notice that is sent to the business or organisation, which is covered in the loan contract under clause 4.3 and clause 9.2. When a customer is unable to repay the debt in full, alternatives can be considered. As with the RSP and CSP, cases are individually considered based on each business' financial position.

### Publishing of OIA response

Please note that Inland Revenue regularly publishes responses to requests that may be of interest to the wider public on its website. We consider this response is of public interest so will publish this response in due course. Your personal details or any information that would identify you will be removed prior to it being published.

Thank you for your request.

Yours sincerely



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