



New Zealand
Payroll Practitioners
Association

Developing and Supporting
Payroll Professionals

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IRD: Starting and Ending Employment





Starting and ending employment

These are your responsibilities as an employer when an employee starts or stops working for you or transfers to another branch of a company.

When an employee...	they must...	and you must...
1. starts working for you	<ul style="list-style-type: none">• fully complete a Tax code declaration (IR330) or Tax rate notification for contractors (IR330C)• complete a KiwiSaver deduction form (KS2) if they're a KiwiSaver member• provide a Savings suspension letter, if applicable.	<ul style="list-style-type: none">• show their employment start details:• using the New/departing employees service in myIR, or on your Employment information schedule• give them a KiwiSaver information pack (KS3) if they're eligible• automatically enrol them in KiwiSaver if they're eligible.



When an employee...	they must...	and you must...
2. stops working for you		When an employee stops working for you, you must show their employment finish details on your Employment information schedule.



When an employee...	they must...	and you must...
3. stops working for you and you rehire them: <ul style="list-style-type: none">• in the same year, or• in a future year		If you rehire an employee after they stopped working for you, you must treat them as a new employee. The above requirements will apply under (1).



Transferring to another branch

If an employee...	then...	and...
4. transfers from one branch of a company to another and is paid by the new branch office on a separate payroll (different legal entity).	<ul style="list-style-type: none">the old branch treats the transfer as if the employee has stopped work, andthe new branch treats the transfer as if the employee is new.	<ul style="list-style-type: none">Follow the requirements under (1)
5. transfers from one branch of a company to another and is paid from a central or head office (same legal entity).	that office continues deducting PAYE from the employee's earnings.	<p>the employee does not need to complete a:</p> <ul style="list-style-type: none">new tax code declaration, orKiwiSaver deduction form.You don't need to automatically enrol the employee in KiwiSaver.