



Inland Revenue
Te Tari Taake

"I love Payroll"

New Zealand Payroll Practitioners Association (NZPPA)

16th Annual conference

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Why we love payroll!

Businesses play an important role providing employment and income information that simplifies tax and social policy for most New Zealanders.

- Payroll makes it easier for individuals receiving Salary and Wages to meet their tax obligations,
- That's because Payroll helps people pay and receive the right amounts during the year – most no longer need to do anything at the end of the tax year,
- Payroll also helps support the outcomes of social policies – things like Student Loans and Working for Families,
- The data you provide as Payroll professionals also helps Inland Revenue proactively support people to get their tax right and to access support they may need.

Payroll's contribution to New Zealand



3.3M
KiwiSaver members
(30 June 2023)
\$9.7 billion transferred
schemes in 2022-23.



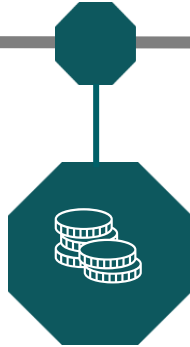
\$481M
Child support
was collected from 135,000
parents in 2022-23



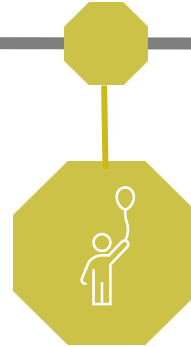
\$2.97B
**Working for
families**
entitlements distributed
in 2022-23



243,000
Employers
Filed more than
7.4 million employer information
returns in 2022-23



635,000
**Student loan
borrowers**
Made \$1.63 billion in
repayments in 2022-23.



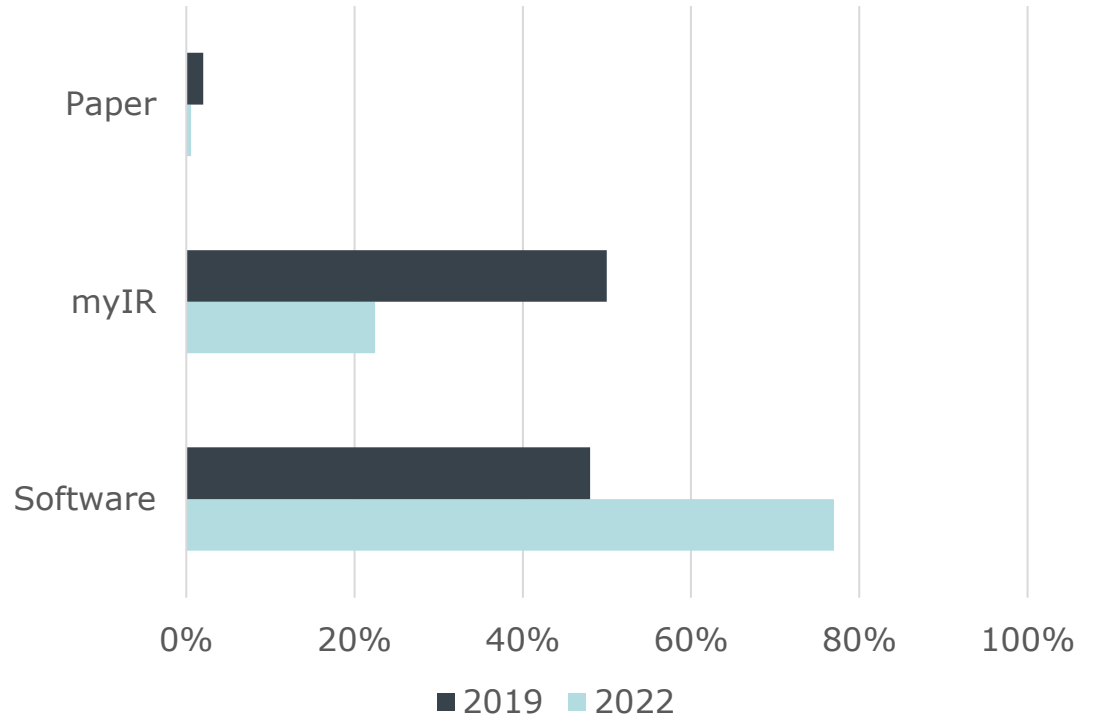
Digital Transformation

Business Transformation made it easier than ever to go digital. Businesses have also been shifting how they file Payroll.

There has been a consistent transition since 2018 away from onscreen entry and paper. Today the majority of payroll uses file upload and software.



Shift in filing 2019 - 2022



Payroll Processing Automation

Increased digitisation and improved data quality from digital channels has improved Straight Through Processing.

Payroll significantly contributed to Business Transformations benefits.

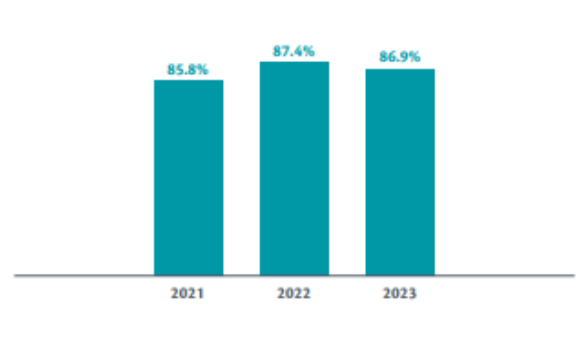


Returns processed without the need for intervention (straight through)

The level of employment information returns that are processed without the need for system or staff intervention means reduced effort for customers and us.

86.9%

of employment information returns were processed without requiring further intervention

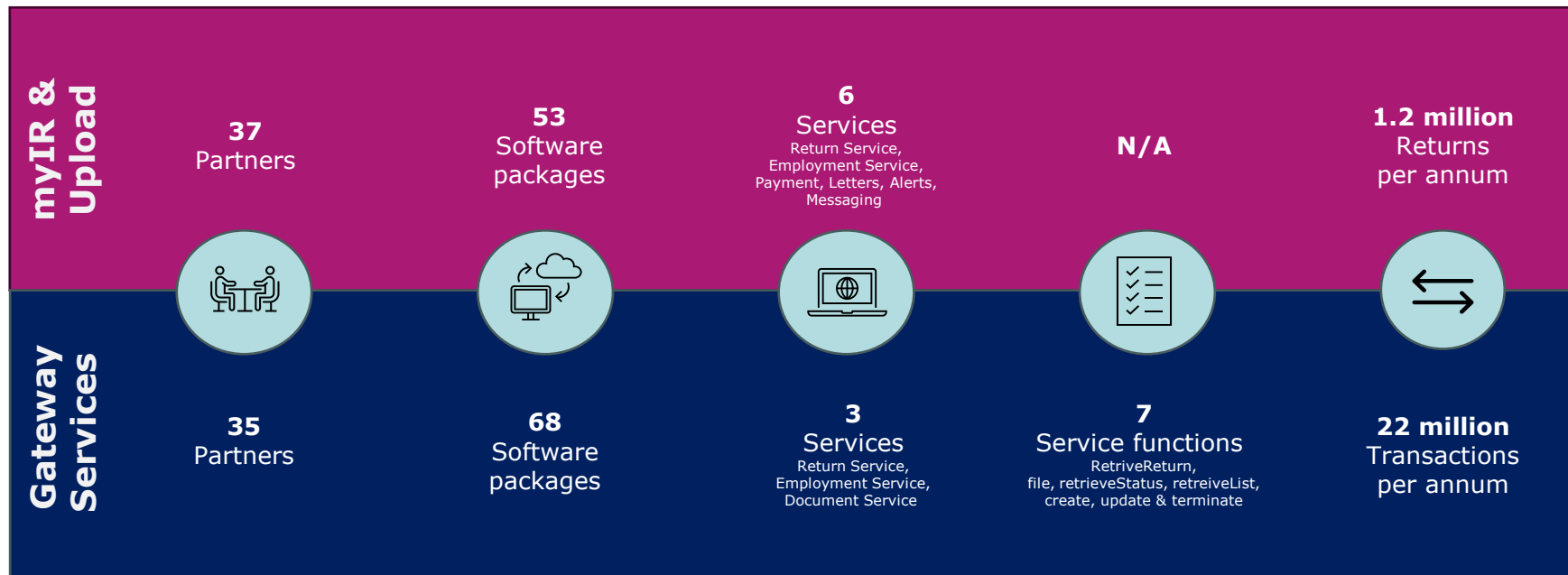


Around 87% of employer information returns are processed straight through. High levels of automation and rules built into our systems mean straightforward transactions are processed with few errors or the need for human intervention.



Where is Payroll today?

Significant digitisation and increasing use of payroll software to support employers.



What's Next?

Transitioning to more efficient & effective services

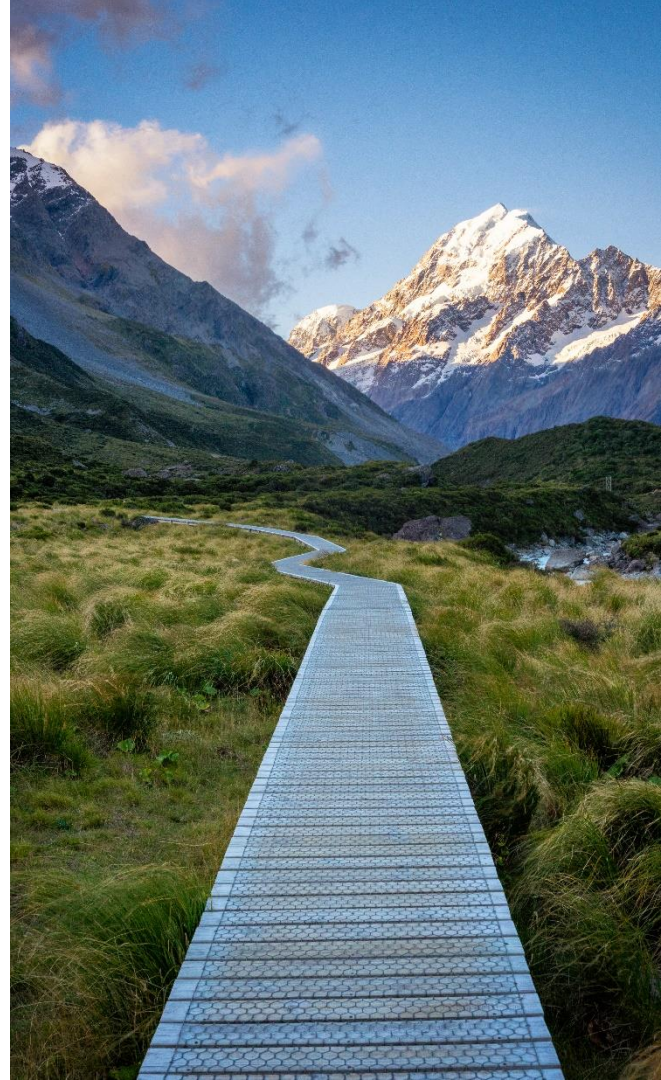


How can you contribute?

Tell us what a more efficient and effective payroll system looks like.

- What parts of the payroll process drive inefficiency for your business?
- If you could change one thing about the payroll process, what would it be?
- What would you like to see improved in digital payroll services – myIR and software
- What are payroll practitioner's expectations of software?

Share with us at our booth



How can we help

Resources available

Github - <https://github.com/InlandRevenue>

- Payroll calculation and Business rules specification

IR website - <https://www.ird.govt.nz/>

- Payday filing
- KiwiSaver for employers

Community Compliance

- Online or in-person seminars
- One on one advisories





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Thank you

