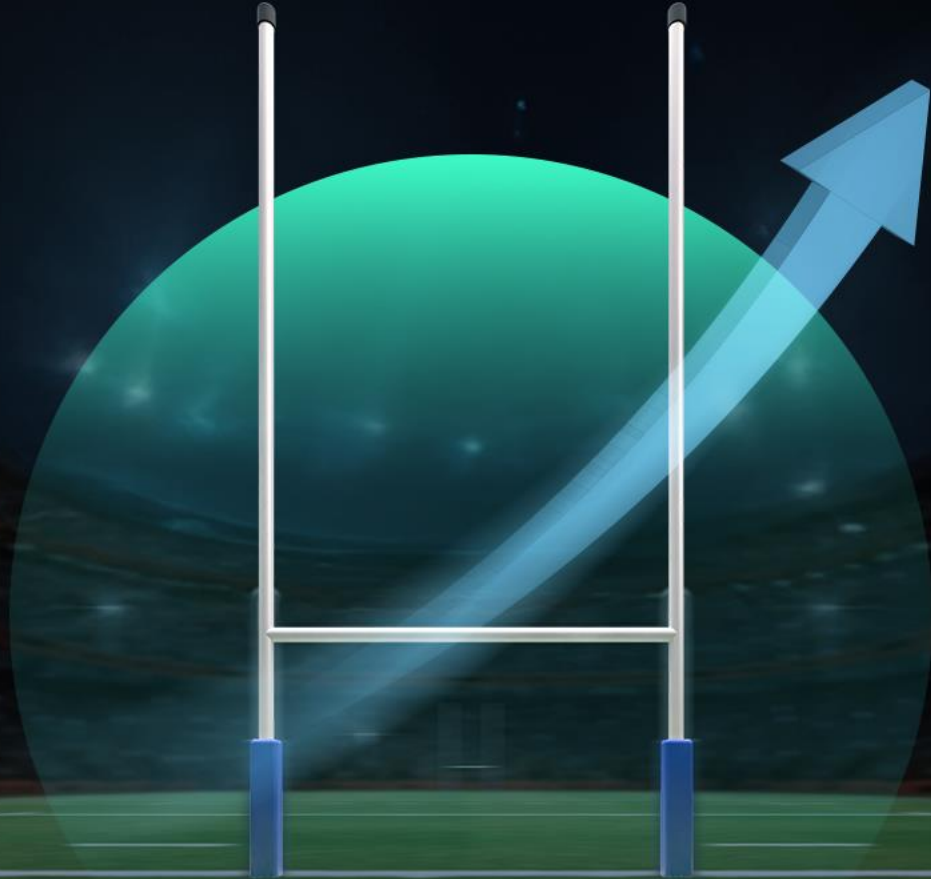




Employment Tax Update

2025 Annual Payroll Leader's
Conference





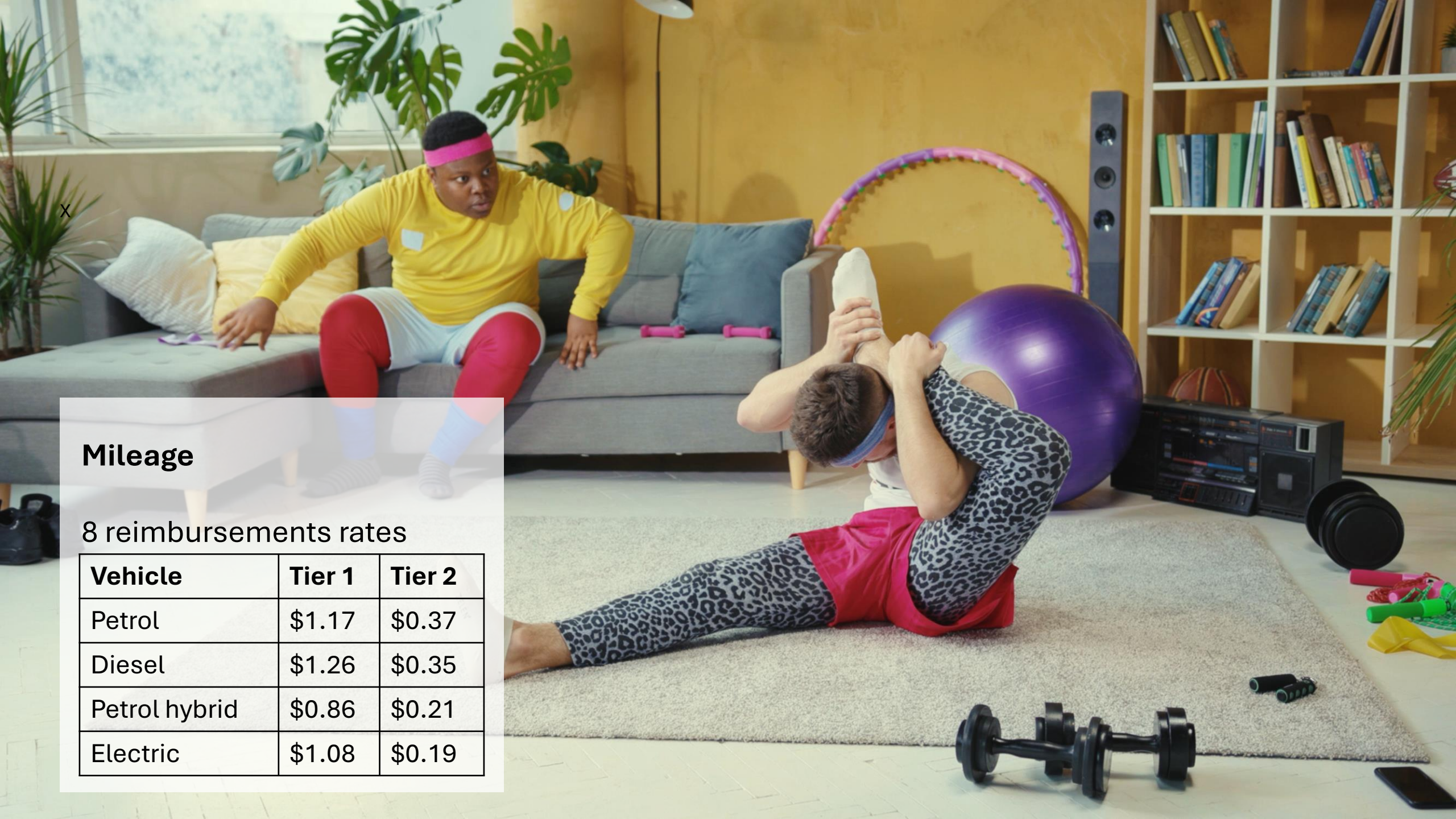
Niggles in the field of employment tax

KiwiSaver

Default contribution increases to 3.5% from 1 April 2026 and 4% from 1 April 2028 – this is for employers and employees

Who pays for the increased employer contribution?
- Total remuneration approach





Mileage

8 reimbursements rates

Vehicle	Tier 1	Tier 2
Petrol	\$1.17	\$0.37
Diesel	\$1.26	\$0.35
Petrol hybrid	\$0.86	\$0.21
Electric	\$1.08	\$0.19

Per Diems

Common questions

Screen industry comparison

Allowances vs reimbursements

GST

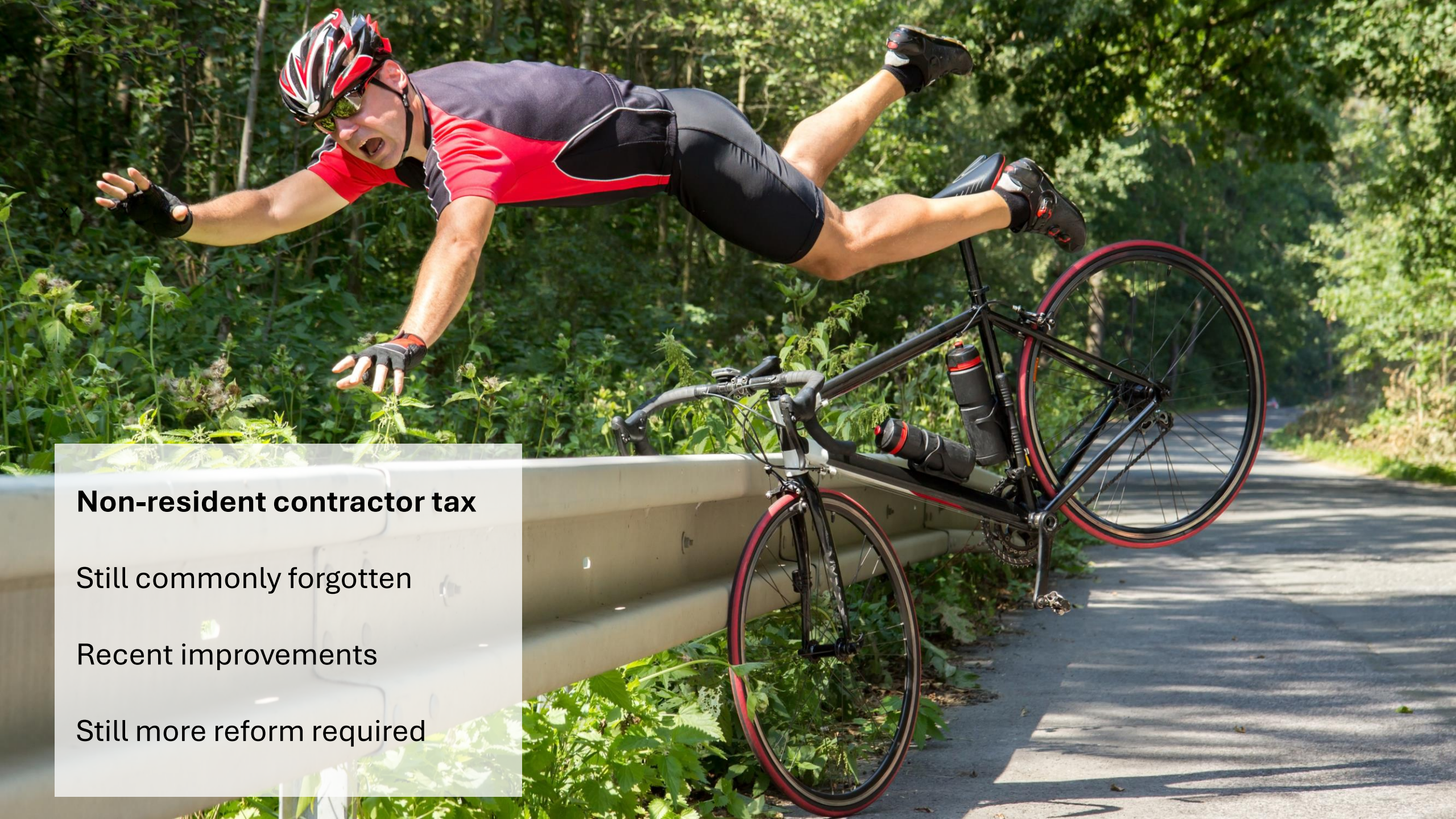




Withholding Tax

Need for systems / processes

Responsibility: Payroll vs accounts payable



Non-resident contractor tax

Still commonly forgotten

Recent improvements


Still more reform required

FBT v PAYE v Entertainment

Why is this so hard?

Open loop card saga



A soccer player is lying on their back on a green grass field. They are wearing red socks, white shorts, and black cleats. Their hands are clasped together over their knees. A black and white soccer ball is on the grass near their feet.

Employee Share Schemes

Inland Revenue questionnaires

Withholding requirements

Possible “improvements”

Payroll reviews

Increasing number of requests from IR to review payroll

Onsite reviews

How to correct errors



Participating Advisor Programme

Have Deloitte undertake a payroll,
FBT or GST review instead of IR

Pre or post audit notification

Requirements

- Entity size
- Scope

What happens after the review?



Future Direction



FBT review

What is happening?



An introduction to Extraordinary

Keeping compliance costs down





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