



Memorandum

2 May 2014

To: Tax Agents

From: Dave Gillespie, Payments Project Sponsor

Changes to payment services

Purpose

This memorandum provides information on changes to the way customers can make and receive payments to and from Inland Revenue.

Changes to the Inland Revenue payment service at Westpac

From 1 October 2014 customers will no longer be able to make cheque payments or drop off returns or forms at a Westpac branch. They will be able to continue making cash and eftpos payments at Westpac.

Customers can post cheque payments, returns and forms directly to Inland Revenue so we're removing these services at Westpac. Customers can continue to make payments using online banking, credit and debit cards and international money transfers.

Inland Revenue encourages customers to make payments online. Digital payment channels are secure and faster than traditional payment methods, and are available 24 hours, seven days a week.

We also encourage you to use the E-file service to file your client's returns. To find out more about the benefits of using E-File, you can discuss this option with your Account Manager or go to ird.govt.nz and search keywords "E-File".

Paying on time

From 1 October 2014, payments posted to Inland Revenue need to be received by Inland Revenue on or before the due date to avoid payment penalties and interest. This means cheque payments can no longer be posted on the due date.

Over 70% of our payments are currently made online and we want to encourage more customers to pay electronically. Removing the unintended advantage to customers who post cheque payments on the due date enables us to treat all customers equally, regardless of their payment method.

If you have any further questions about these changes, please feel free to forward these to your Account Manager.

Issuing Refunds

Of the 1 million refunds that Inland Revenue issues to taxpayers by cheque, 80% are to clients of Tax Agents. Our account managers will be encouraging tax agents to receive electronic refunds for themselves and their clients.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Dave Gillespie'.

Dave Gillespie
Payments Project Sponsor