

Upcoming changes to benefit allowances

Changes to the tax treatment of employee allowances take effect on 1 April 2015.

Allowances are payments made to an employee in addition to their salary or wage and can include payments for accommodation, food, or clothing.

The changes clarify the tax treatment of employer-provided accommodation, accommodation payments, and other allowances or payments made by employers to cover employee expenditure.

Some of these can apply retrospectively.

Details of these are on our web site at [www](http://www.ird.govt.nz).

<http://www.ird.govt.nz/payroll-employers/make-deductions/staff-benefits/>