

News and updates  
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## **New subsidy for small employers using a payroll intermediary**

**From 1 October a subsidy has been introduced to help small employers<sup>1</sup> meet some of the cost associated with using a payroll intermediary**

The subsidy is designed to assist small employers by freeing up time for business which would otherwise be spent preparing wage records.

### **What is a payroll intermediary and what do they do?**

A payroll intermediary can be a payroll service provider, accountant or other tax professional who provides payroll services and is registered as an intermediary with Inland Revenue. Employers may use payroll intermediaries to prepare wage records.

The cost of using a payroll intermediary may vary depending on the service provided.

### **How much is the payroll intermediary subsidy?**

The subsidy is \$2 per pay day for a maximum of five employees and will be paid directly to your payroll intermediary and is inclusive of GST and subject to income tax. The subsidy is paid monthly only in respect of small employers.

The use of PAYE intermediaries is voluntary.

### **How to check out if your current payroll intermediary is registered to receive the subsidy?**

You'll need to check with your payroll intermediary to see if they are registered with us to receive the subsidy

### **Wanting to register with us as PAYE intermediary?**

If you are currently undertaking PAYE filing and payment obligations on behalf of 10 or more employers you may wish to consider becoming a listed PI and receive the subsidy by completing the *PAYE intermediary registration (IR910)* form. See "Forms and guides".

### **For more information**

For details on how to become a registered PAYE intermediary with Inland Revenue - call us on 0800 443 773.

1 A small employer has total PAYE deductions (including specified superannuation contribution withholding tax) of less than \$100,000 per year.