

What's changed

From 1 April 2012, there are some changes to the way you make your employee's student loan deductions.

The standard student loan deductions you make from your employee's salary or wages cover their repayment obligation, unless there's a significant over- or under-deduction. Make sure your deductions are correct and properly identified on your employer monthly schedule.

Tax code

If your employee has a student loan, they must add "SL" to their tax code unless they have an exemption or use one of these tax codes: CAE, EDW or WT.

Student loan deductions

If this is their main job, you need to deduct 10c for every dollar earned above the pay period repayment threshold, eg, \$367 weekly.

If this is their secondary job, they may give you a student loan special deduction rate certificate. You need to make the deductions at the reduced rate for the period stated on the certificate.

If your employee gives you a student loan repayment deduction exemption certificate, you don't have to make student loan deductions for the period stated on the certificate. They don't have to add "SL" to their tax code while they have an exemption.

Extra student loan deductions

SLBOR – identifies extra deductions requested by your employee, to pay off their student loan faster. This can be at a rate or amount specified by your employee.

SLCIR – identifies extra deductions we ask you to make to recover significant under-deductions until the amount has been recovered. This can be up to 50% of your employee's compulsory deductions.

If an employee has both SLBOR and SLCIR deductions, show them on separate lines.



Inland Revenue
Te Tari Taake

Employer monthly schedule

For help, refer to notes on employer deductions form.

☐ A&B Limited

This schedule is due 20/05/2012

Employer's IRD number **1** 98 765 432
Period ended **2** 30/04/2012

Gross earnings and/or schedular payments	Earnings and/or schedular payments not liable for ACC earners' levy	3 PAYE and/or schedular tax deductions	4 Child support deductions	5 Student loan deductions	6 KiwiSaver deductions	7 KiwiSaver employer contributions
Employee name and IRD number Surname: Bloggs First name(s): Joe IRD number: 12222222 Tax code: MSL Employment start and/or finish date: Start: / / Finish: / / Tick if lump sum payment made and taxed at lowest rate: <input type="checkbox"/> CS code: \$ 3 200 00 \$ 00 \$ 539 01 \$ 173 20 \$ 64 00 \$ 52 80						
Surname: Bloggs First name(s): Joe IRD number: 12222222 Tax code: SLBOR Employment start and/or finish date: Start: / / Finish: / / Tick if lump sum payment made and taxed at lowest rate: <input type="checkbox"/> CS code: \$ 000 00 \$ 00 \$ 000 00 \$ 100 00 \$ 00 00 \$ 00 00						
Surname: Davies First name(s): Ross IRD number: 012723142 Tax code: M Employment start and/or finish date: Start: / / Finish: / / Tick if lump sum payment made and taxed at lowest rate: <input type="checkbox"/> CS code: \$ 3 000 00 \$ 00 \$ 494 30 \$ 000 00 \$ 00 00 \$ 00 00						
Surname: Rawlins First name(s): Stacey IRD number: 121122222 Tax code: WT Employment start and/or finish date: Start: / / Finish: / / Tick if lump sum payment made and taxed at lowest rate: <input type="checkbox"/> CS code: \$ 192 00 \$ 192 00 \$ 384 00 \$ 000 00 \$ 00 00 \$ 00 00						
Total gross earnings and/or schedular payments	Total earnings not liable for ACC earners' levy	3 Total PAYE and/or schedular tax	4 Total child support	5 Total student loan	6 Total KiwiSaver deductions	7 Total KiwiSaver employer contributions
\$ 6 392 00	\$ 192 00	\$ 1 071 71	\$	\$ 273 20	\$ 64 00	\$ 52 80

IR 348
February 2009

If your correct daytime phone number is not shown below, print in the box

()

If your correct contact person's name is not shown below, print in the box

Declaration

I declare that the information given in this return is true and correct.

Signature

K. Munro

20 / 05 / 2012
Date

OFFICE USE ONLY
Operator code ☐ Corresp. indicator ☐
Payment attached ☐ Return cat. ☐

What's changed

ESCT (employer superannuation contribution tax)

The 2% ESCT exemption applied to employer contributions for KiwiSaver and complying funds has been removed.

The 33% ESCT flat rate calculation option is now only available for defined benefit funds.

Employer deductions (IR 345) form


You **must** now file an employer deductions form every month if you file monthly or twice-monthly if your gross annual PAYE (including ESCT) is \$500,000 or more in the previous year ended 31 March.

More about ESCT

Employer contributions to an employee's superannuation fund are subject to the payment of ESCT. Before 1 April 2008, this was known as specified superannuation contribution withholding tax (SSCWT).

From 1 April 2012, all employer contributions paid to a superannuation fund, including KiwiSaver schemes and complying funds, for the benefit of an employee are liable for ESCT.

We have updated the PAYE tables and the PAYE calculators online to make it easier for you to calculate your compulsory employer contributions (CECs) and ESCT.



Inland Revenue
Te Tari Taake

Employer deductions

IR 345
April 2009

Please see notes on the back to help you complete this form and the EMS schedule.

For more information:
website www.ird.govt.nz
telephone 0800 377 772
INFOexpress 0800 257 773

Name _____

Address _____

IRD number **1** 98 765 432
Period ended **2** 30/04/2012

If your postal address is different from that printed above, please enter your new address below.

Street or PO Box _____

Suburb _____

Town or city _____

OFFICE USE ONLY

Operator code ☐ Corresponding indicator ☐
Payment attached ☒ Return cut ☐

Declaration: I declare that the information given in this return is true and correct.

Signature *K. Yunn* Date 20/05/2012

Inland Revenue copy
Please make a copy for your own records

Has payment been made electronically? (Tick one) ☐ Yes ☐ No

Payment slip

IRD number 98 765 432
Period ended 30/04/2012
Amount of payment **10** \$ 1 472.91

Copy your total from Box 9 and include any late payment penalties and interest, for this period only.

Boxes 3-8 (Deductible amounts):

- 3 PAYE (incl. tax on schedular payments) \$ 1 071.71
- 4 Child support deductions \$
- 5 Student loan deductions \$ 273.20
- 6 KiwiSaver deductions \$ 64.00
- 7 KiwiSaver employer contributions \$ 52.80
- 8 ESCT deductions \$ 11.20

Box 9 (Total amount to pay): \$ 1 472.91

Student loan deductions

When adding student loan deductions to your employer deductions form, make sure this is the total figure of all student loan deductions (compulsory deductions and any SLCIR or SLBOR extra deductions) you've made for your employee/s.

KiwiSaver employer contributions

When adding your employer contributions to this form, make sure this amount does not include any ESCT deducted.

ESCT (employer superannuation contribution tax)

When adding your ESCT deductions to this form, you must ensure it is the total of all ESCT deducted from employees.