

## Who can transfer paid parental leave payments to a self-employed spouse or partner?

You (the mother or primary carer in the case of adoption) can apply to transfer some or all of your paid parental leave payments to your self-employed spouse or partner if:

- you qualify for paid parental leave, either as an employee or as a self-employed person, **and**
- your spouse or partner is self-employed, and will have been self-employed for 6 months or more at the expected date of delivery or the date you have assumed care of a child you intend to adopt, **and**
- your spouse or partner has been working for an average of 10 or more hours a week in the:
  - 6 months, **or**
  - 12 months

leading up to the expected date of delivery or the date of adoption.

### Notes

- Both you and your spouse or partner need to complete different parts of the form.
- You must also have filled in either a:
  - *Paid parental leave application for an employee (IR 880)*, **or**
  - *Paid parental leave application for a self-employed person (IR 888)* if you are self-employed.
- If your spouse or partner is **not** self-employed you must instead both fill in a *Paid parental leave transfer to an employee (IR 881)* form.

For more information on paid parental leave and transferring your entitlement, visit [www.ers.dol.govt.nz/parentalleave](http://www.ers.dol.govt.nz/parentalleave) or call the Department of Labour on **0800 20 90 20**.

## Who fills in the transfer form?

The transfer form has four sections that must be filled in.

**Section 1** is filled in by the applicant (in most cases, the mother or primary carer in the case of adoption).

**Section 2** is filled in by the self-employed spouse or partner.

**Section 3** is filled in by the self-employed spouse or partner's chartered accountant. If your spouse or partner doesn't have a chartered accountant, they must make a self-declaration witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration.

**Section 4** is signed by the applicant (the mother or primary carer), the self-employed spouse or partner and the chartered accountant or Justice of the Peace, solicitor or other person authorised to take a statutory declaration.

When the entire form is filled in and signed, the spouse or partner sends it to Inland Revenue at:

**Inland Revenue**  
**PO Box 3752**  
**Christchurch**

## General information

You may want to transfer your payments to your spouse or partner if you're, for example, returning to work after less than 14 weeks' leave and your spouse or partner will be home with the baby on parental leave. In this case, the remaining weeks of your entitlement can be paid to your spouse or partner.

The amount paid will be based on their:

- net income
- average weekly earnings, **and**
- average weekly hours of work from their self-employment.

They have to provide the information and have it verified by their chartered accountant. If they don't have a chartered accountant, they must make a self-declaration witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration and then send the transfer form to Inland Revenue.

You can transfer your entitlement to your husband, civil union partner, or de facto partner—they don't have to be the biological father of the child. Your entitlement can't be transferred to other family members or caregivers, such as grandparents.

You can apply to transfer your paid parental leave to your spouse or partner, either at the time you apply for paid parental leave or at any time while you're receiving your paid parental leave payments.

For more information on paid parental leave and transferring your entitlement, visit [www.ers.dol.govt.nz/parentalleave](http://www.ers.dol.govt.nz/parentalleave) or call the Department of Labour on **0800 20 90 20**.

### *Self-employed and employee*

It's possible that your spouse or partner works both as a self-employed person and as an employee. If your spouse or partner intends to take paid parental leave from both types of employment you both have to fill in another transfer form that's verified by their employer.

**Your spouse or partner must take parental leave from their self-employment to qualify for paid parental leave payments. If they cease being self-employed before their parental leave starts, or if they return to work during their paid parental leave, they're no longer eligible to receive paid parental leave payments and must inform Inland Revenue of the change in their situation.**

If you're not sure whether you're employed or self-employed, call the Department of Labour on **0800 20 90 20**.

## Notes for the applicant

Fill in section 1 and sign section 4 of the transfer form yourself, then give the form to your self-employed spouse or partner to fill in section 2 and sign section 4.

## Notes for the spouse or partner

To have the mother's or primary carer's entitlement transferred to you as the self-employed spouse or partner, you also need to qualify for paid parental leave.

You qualify if you meet the 6 or 12-month requirement as a self-employed person where you've been working for an average of 10 or more hours a week in the:

- 6 months, **or**
- 12 months

leading up to the expected date of delivery or date you have assumed the care of a child you intend to adopt.

The length of time you'll receive paid parental leave payments are not affected by the length of the period (6 or 12 months) under which you qualify, only by the length of time that the mother or primary carer chooses to transfer to you.

### *Periods of self-employment*

If you work in multiple self-employed roles for an average of 10 or more hours a week, you need to have worked:

- concurrently during a 6 or 12-month period, **or**
- consecutively during a 6 or 12-month period, with the break between types of roles being no more than 30 days.

If you're engaged in multiple types of work, they'll be treated as a single period of self-employment. You'll need to let us know if the types of work are concurrent or consecutive.

- **Concurrent** is more than one type of work over the same period. For example, you work on one contract with Company X from 1 January to 30 June and on another contract with Company Y during that same period.
- **Consecutive** is more than one type of work during different periods, as long as the break between working is 30 days or shorter. For example, you have a contract with Company X from 1 January to 30 June and, following that, you have another contract with Company Y starting on 15 July.

Fill in section 2 and sign section 4 of the transfer form. Your chartered accountant must complete section 3 and sign the "Chartered accountant's declaration" in section 4. If you don't use a chartered accountant, you must make a self-declaration witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration. Send the completed form to:

**Inland Revenue**  
**PO Box 3752**  
**Christchurch**

Your payments will be made fortnightly from the date that you commence your parental leave. We'll send you a letter confirming that paid parental leave has been transferred to you, the date of your payment(s) and how much you'll receive.

If you are eligible both as an employee and self-employed and you're combining the incomes from these different employments to maximise your parental leave payment, you'll need to fill in a transfer for each type of employment—a *Paid parental leave transfer to an employee (IR 881)* form and a *Paid parental leave transfer to a self-employed person (IR 889)* form.

**You must be taking parental leave from all types of your self-employment to qualify for the paid parental leave payments to be transferred to you. If you cease to be self-employed before your parental leave starts or if you return to work during your paid parental leave, you must notify Inland Revenue of the change in your situation as you'll no longer be eligible to receive paid parental leave payments.**

### *The role of your chartered accountant or a Justice of the Peace.*

Your chartered accountant must verify your net income, your average weekly earnings and your self-employment status by signing the "Chartered accountant's declaration".

Your accountant must be a member of the New Zealand Institute of Chartered Accountants. To check this, visit the Institute's website on [www.nzica.com](http://www.nzica.com)

If you don't have a chartered accountant, you're still required to fill in section 2, sign section 4 and fill in the "Spouse's or partner's self-declaration". Your self-declaration must be witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration.

## Notes to help all parties to fill in the transfer form

### **Note 1: Mother unable to fill in the form**

When a mother (or primary carer in the case of adoption) has applied for parental leave from her employer or self-employment but has died or no longer has legal guardianship of the child, her entitlement may be transferred to her spouse or partner. If you're applying as the spouse or partner and will be caring for the child for either of these reasons, please call Inland Revenue on **0800 377 777**.

### **Note 2: How many weeks do you want to receive payments for?**

Enter the number of weeks that you want to receive the payments for. The balance of the payments will be transferred to your spouse or partner. For example, if you'd like to receive 9 weeks' payment and your spouse or partner to receive 5 weeks, enter 9 weeks on the form. You can transfer the payments at any time before the end of your 14 weeks' entitlement.

We'll send you a letter confirming your last payment date. A letter will also be sent to your spouse or partner confirming when their payments will start and how much they'll receive.

### Note 3: Postal address

If your address is a PO Box number, please show your box lobby if you have one. If you're unsure of your box lobby, please contact New Zealand Post.

### Note 4: Self-employment categories

When you apply as a self-employed person, you must identify on the transfer form which of the following categories you belong to:

- Contractor (you're providing goods or services for hire or reward under a contract for services).
- Carrying on a business (including a profession, trade, manufacture or other undertaking carried out for profit), including in partnership with another person.
- Working for a trust in a business (see paragraph b) above) carried on by the trust.

### Periods of self-employment

If you're engaged in multiple types of work, they'll be treated as a single period of self-employment. You'll need to let us know if the types of work are concurrent or consecutive.

- Concurrent** is more than one type of work over the same period. For example, you work on one contract with Company X from 1 January to 30 June and on another contract with Company Y during that same period.
- Consecutive** is more than one type of work during different periods, as long as the break between working is 30 days or shorter. For example, you have a contract with Company X from 1 January to 30 June and, following that, you have another contract with Company Y starting on 15 July.

If you're not sure about your self-employment categories, call the Department of Labour on **0800 20 90 20**.

### Note 5: Bank account details

All paid parental leave payments will be paid into a bank account. Please enter the bank account number you want the payments to be paid into.

### Building society accounts

If you want your paid parental leave payments to be paid into a building society account follow these steps:

- Contact the building society and ask for their "holding account number". Write this on your application form. Tell the building society to transfer your paid parental leave payments from the holding account to your own account. You'll need to give them your IRD number so your paid parental leave payments can be matched to your account.
- Attach a note to the application form telling us the reference numbers your building society needs to transfer the paid parental leave payments into your account.

### Note 6: Child support

If you make payments to Inland Revenue Child Support, you can't choose to have child support deductions taken out of your paid parental leave payments. You will need to make voluntary child support payments. If you have outstanding child support, Child Support will contact you to start a new arrangement.

If your income has reduced by 15% or more, you may want to estimate your income for child support purposes. If you'd like to estimate your income, enter your new estimated annual income and the current financial year on this form. Child Support will calculate your assessment and send you a new notice of assessment. For further child support information, please call **0800 221 221**.

### Note 7: Paid parental leave commencement date

Enter the commencement date of your paid parental leave. If you're taking annual leave before you commence paid parental leave, enter the commencement date of your paid parental leave, not the date you started annual leave.

### Note 8: Your average weekly earnings

Your paid parental leave payments will be based on your current income.

Calculate your average weekly earnings as follows:

- If you qualify for paid parental leave on the basis of the previous 12 months' self-employment, enter 1/52 of your net income for the year ending with the baby's expected due date or, in the case of adoption, the date you assume care of the child.
- If you qualify for paid parental leave on the basis of your previous six months' self-employment, enter 1/26 of your net income for the six months ending with the baby's expected due date or, in the case of adoption, the date you assume care of the child.

Calculate your average weekly earnings based on the number of weeks that you were present at work over the relevant period if you were:

- absent from work on ACC, **or**
- unable to work because of other circumstances, **or**
- on parental leave before the expected date of delivery.

If you need help visit [www.ers.dol.govt.nz/parentalleave](http://www.ers.dol.govt.nz/parentalleave) or call the Department of Labour on **0800 20 90 20**.

### Note 9: Length of self-employment and average weekly hours

To be eligible for paid parental leave as a self-employed person, you must have been self-employed for 6 months or more at the expected date of delivery or the date you have assumed the care of a child you intend to adopt. You must also have worked for an average of 10 hours or more a week in your self-employment in the six or 12 months before the due date or the date you have assumed the care of a child you intend to adopt.

It is your decision whether to apply under the six or 12 month criteria. In both cases you will be entitled to 14 weeks' parental leave payments. If you have an inconsistent work pattern over the immediately preceding 12 months and do not meet the average hours of work criteria for this period, you may still meet the criteria over the six month period or vice versa. The level of your parental leave payment may also differ depending on whether your average income is determined over six or 12 months.

### **Note 10: Current or estimated tax code**

Being self-employed, you don't necessarily use a tax code when operating your business, however you'll need to choose a tax code for your paid parental leave payments. This tax code will determine the rate of tax and student loan deductions (if relevant) that will be made from your paid parental leave payments, so you'll need to choose the tax code that fits your situation the best.

If you're receiving any other income while receiving paid parental leave payments, please contact Inland Revenue to discuss which tax code to use. Other income includes income from salary, wages, a benefit, accident compensation payments, New Zealand Superannuation or a student allowance.

To find out more about tax codes and which one to choose, visit [www.ird.govt.nz](http://www.ird.govt.nz) for the *Tax code declaration (IR 330)* or call Inland Revenue on **0800 377 777**.

### **Note 11: Statements**

#### ***Applicant (the mother or primary carer in the case of adoption)***

Read the "Applicant's statement" in section 4 carefully before signing, then give this form to your spouse or partner to fill in section 2 and sign section 4.

#### ***Self-employed spouse or partner***

Read the "Self-employed spouse's or partner's statement" carefully before signing the form in section 4. Your chartered accountant must verify your net income, your average weekly earnings and your self-employment status by signing their statement in section 4. Then you can send the form to Inland Revenue.

If you don't have a chartered accountant, you must make a self-declaration witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration.

#### ***Chartered accountant***

If you're a chartered accountant being asked to verify a self-employed person's net income, their average weekly earnings and self-employment status, you only need to fill in your details in section 3 of the transfer form and sign the declaration in section 4. You must be a member of the New Zealand Institute of Chartered Accountants. Please read these notes and the "Chartered accountant's statement" carefully before signing the form. Return the form quickly to your client so that their payments can begin.

### ***Justice of the Peace***

If you are a Justice of the Peace (or other person authorised to take a statutory declaration) being asked to verify a self-employed person's application for parental leave payments, you'll need to witness the applicant's self-declaration made under the Oaths and Declarations Act 1957. The applicant must declare their self-employment status, net income and average weekly earnings. You'll need to sign the declaration. Please read these notes carefully before signing the form.

### **Penalties**

There is a penalty if you make a false declaration. A person convicted of this offence can be imprisoned for up to three years.

### **Privacy Act 1993**

We'll use the information given on this form to calculate and provide you with your entitlement to paid parental leave payments. This information may be shared between Inland Revenue and the Department of Labour or their contracted agencies.

Some of the information on this form is collected for statistical purposes for the Department of Labour and will be used in considering future policy changes. As indicated on the form, the statistical questions are optional. All other information is required under the Parental Leave and Employment Protection Act 1987. If this information is not provided, there may be a delay in processing your application.

If any or all of the entitlement is to be transferred to a spouse or partner, we may disclose your personal information to them, and your spouse or partner's information to you. By completing the transfer form, you and your spouse or partner accept that this disclosure may occur.

You may ask to see the personal information we hold about you by calling Inland Revenue on **0800 377 777**. Unless we have a lawful reason for withholding the information, we'll show it to you and correct any errors.

#### ***Inland Revenue Call Recording***

As part of our commitment to providing the best possible service to our customers, Inland Revenue records all telephone calls received through our call centres. Please visit [www.ird.govt.nz](http://www.ird.govt.nz) or call us on **0800 377 774** for further information about our call recording policy and how you can access your recorded information.

### **Complaints**

If you don't agree with any decisions made about your eligibility, you may apply to the Employment Relations Authority for a review of that decision.

To contact the Employment Relations Authority, visit [www.ers.dol.govt.nz/help/authority.html](http://www.ers.dol.govt.nz/help/authority.html) to find the office nearest to you, or call the Department of Labour on **0800 20 90 20**.





## Section 4: Statements – applicant, self-employed spouse or partner and accountant to complete

### **Applicant's statement (mother/primary carer)**

*There are penalties if you give false or misleading information (see note 11 before completing this declaration)*

I understand that the information in this form is true and correct to the best of my knowledge and that the person I am transferring my paid parental leave entitlement to is my spouse or partner. I understand you may disclose my personal income information to my spouse or partner and my spouse or partner's information to me.

Applicant's signature

/ /

Date

**Note: If the applicant is unable to sign this statement see note 1**

### **Self-employed spouse's or partner's statement**

*There are penalties if you give false or misleading information (see note 11 before completing this declaration)*

I understand that the information I have provided in this application form is true and correct to the best of my knowledge and that I am assuming or intend to assume care of the child/children that this transfer pertains to. I have worked, or will have worked, as a self-employed person for at least an average of ten hours a week over the six or twelve months immediately preceding the expected date of delivery or adoption of the child. I understand that I have elected to receive paid parental leave payments and cannot receive parental tax credit for the children this application relates to. Except for oversight or occasional administrative tasks, I will not work in my business while receiving parental leave payments. I understand you may disclose my personal income information to my spouse or partner and my spouse or partner's information to me.

Self-employed spouse's or partner's signature

/ /

Date

#### **NEXT STEP:**

- **Either** give this form to your chartered accountant to complete, **or**
- Complete the "Self-employed applicant's self-declaration" witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration.

### **Chartered accountant's statement**

Please complete the statement below by deleting whichever is inapplicable (\*) and continue to sign the chartered accountant's declaration on the next page.

*There are penalties if you give false or misleading information. (see note 11 before signing this statement)*

\_\_\_\_\_ [state name of self-employed person]  
of \_\_\_\_\_ [state place of abode and occupation]—

(a) is self-employed because he or she is working, other than as an employee, doing 1 or more of the following:

- \* (i) providing goods or services for hire or reward under a contract for services:
- \* (ii) carrying on business (including a profession, trade, manufacture, or undertaking carried on for pecuniary profit), including in partnership with another person:
- \* (iii) working for a trust in a business (as defined in paragraph (ii)) carried on by the trust; **and**

(b) his or her net income in the \*6 months/\*12 months immediately preceding the \*expected date of delivery of his or her child (or children)/ \*date on which he or she will assume the care of a child (or children) with a view to adoption is or will be \$\_\_\_\_\_.  
[state amount]; **and**

(c) his or her average weekly earnings in the \*6 months/\*12 months immediately preceding the \*expected date of delivery of his or her child (or children)/ \*date on which he or she will assume the care of a child (or children) with a view to adoption are or will be \$\_\_\_\_\_.  
[state amount].

\* Delete if inapplicable.

Continue to Form/page 4 to sign the "Chartered accountants declaration"

