



Business Transformation

Stage 4

Introduction to Stage 4

07 September 2020

What IR set out to achieve



Grow voluntary compliance by making it easier for people to get it right



Reduce customer compliance costs



Make Government policy changes faster and more cost effectively



Provide confidence in the continued collection of tax revenue and distribution of entitlements



Create an information asset to deliver improved outcomes for New Zealand



Financial benefits to the Crown made up of additional revenue and savings, until 2023/24 of between \$2.95b and \$5.95b



Deliver cumulative compliance costs savings until 23/24 of between \$1.2 and \$2.025b.



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Stage 4: The final phase of our transformation

Overview

To be confirmed

- The timing of the releases.
- Scope and details around design

Stage 4 - in a nutshell

- The final stage of the Business Transformation journey
- Some products in the first release only impact limited customers
- Two releases to be delivered in 2021 – no single April release
- Release 1 – to be delivered on **1 March 2021**
 - Paid Parental Leave
 - Unclaimed Monies
 - New Zealand Foreign Trusts
 - Duties
- Release 2 – to be delivered around **October 2021**
 - Child Support
 - An upgrade of myIR to a new version (V12)

Customers & stakeholders

Many customers and stakeholders will only be interested in specific products.

Tax intermediaries will be interested in most.



164,000

parents who pay child support

135,000

receiving parents and carers



Impacts users of
myIR



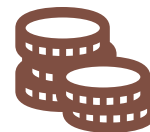
34,749

paid parental leave recipients



2,820

Active NZ
Foreign Trusts



814

organisations sent unclaimed monies to IR in recent years



8

Stakeholders involved in duties

What's changing?

The final products are moving into our new system (START)

Paid Parental Leave (PPL)



What's changing?

- Better self-management services and visibility in myIR
- Improved application processes through myIR (over the phone by exception)
- Automated processing of payments to customers.
- Better use of information will help prevent overpayments
- Using current information we won't need to contact employers to verify applicant's information

Who's interested?

- ✓ PPL customers
- ✓ Advocacy and community groups, e.g. CAB, parenting groups
- ✓ Health providers, e.g. Plunket
- ✓ Some Government agencies

Includes regulation
change



What's changing?

- Moving away from paper forms and processes
- Moving to digital channels for providing and managing information
- Reducing manual handling and improving processing of information

Who's interested?

- ✓ DIA
- ✓ (Police) Financial Intelligence Unit
- ✓ Tax agents for trustees
- ✓ Trust and company service providers



What's changing?

- Moving away from paper filing
- Moving to digital channels for filing and managing information
- Automated processing

Who's interested?

- ✓ NZ Lotteries Commission
- ✓ Casinos
- ✓ Racing Industry
Transition Agency
(formerly NZ Racing Board)
- ✓ Statistics New Zealand



What's changing?

The design is still in its early stages. Changes are expected to include:

- Improved self-management services in myIR
- Streamlined processing and some processes automated
- Modernised information sharing with other government agencies.
- International Child Support better integrated into IR's core systems

Who's interested?

- ✓ Child Support customers
- ✓ Nominated persons
- ✓ Employers
- ✓ Family lawyers
- ✓ Advocacy groups
- ✓ Government agencies

Includes legislative
change



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Upgrading myIR

Upgrading to a new version of our system – Version 12 (V12)

What's changing?

- Upgrading myIR to a new version (V12)
- The changes will include:
 - better functionality
 - improved navigational structure
 - cleaner, modern and consistent look and feel
 - All functionality available on any device (e.g. tablets, mobile phones)



Who's interested?

- ✓ All of our customers
- ✓ Tax intermediaries
- ✓ Significant enterprises
- ✓ Small and Medium Enterprises
- ✓ Micros and self-employed
- ✓ Families customers
- ✓ Individuals



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Further changes during Stage 4

What's changing?

- There will be further changes to:
 - KiwiSaver
 - Student Loans
 - Working for Families
 - E-File - transitioning to new gateway services from E-File
 - Payday Filing – upgrading to Payday II
 - IRD numbers for bankrupt customers

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- It's the final stage of our Business Transformation Programme
 - We will be leaving behind an organisation that works together better to improve outcomes for customers. This includes:
 - Implementing a new data and intelligence platform
 - Rolling out new workplace technology and tools
 - Shifting towards a new organisation design
 - As part of this final phase, we will transition our knowledge, practices and processes to the business before closing the BT Programme



Thank you.