

## Who qualifies for paid parental leave?

You (the mother or primary carer in the case of adoption) qualify for paid parental leave as a self-employed person if:

- you meet the definition of being self-employed (**see note 2 on Notes/page 3**), **and**
- you'll have been self-employed for 6 months or more on your expected date of delivery or the date you assume care of a child you intend to adopt, **and**
- you'll have worked an average of 10 or more hours a week in the 6 or 12 months before the due date or adoption of your child.

The maximum payment is \$391.28 a week before tax.

### Note

The length of time you'll receive paid parental leave payments isn't affected by the length of the period (6 or 12 months) under which you qualify.

If the mother, who would've qualified for paid parental leave payments, has died or no longer has legal guardianship of the child, the entitlement may be transferred to their spouse or partner. If this applies to you, please call Inland Revenue on **0800 377 777**.

If you're still unsure whether you're eligible, 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**.

### Other forms for paid parental leave

If you're also an employee and wish to apply for paid parental leave from that employment, you also need to complete a *Paid parental leave application for an employee (IR 880)*.

If you wish to transfer some or all of your entitlement to your spouse or partner, you both need to complete either a:

- *Paid parental leave transfer to an employee (IR 881)* form, **or a**
- *Paid parental leave transfer to a self-employed person (IR 889)* form.

Visit [www.ers.dol.govt.nz/parentalleave](http://www.ers.dol.govt.nz/parentalleave) to download these forms or call the Department of Labour on **0800 20 90 20** to have the forms sent to you.

### Parental tax credit or paid parental leave

It may be more beneficial for you to receive parental tax credit instead of paid parental leave if you're:

- earning less than \$20,346 a year before tax, **or**
- expecting or adopting three or more children, **or**
- taking less than 14 weeks' parental leave.

To find out more about parental tax credit, see the *Congratulations on your new baby (IR 753)* booklet on [www.ird.govt.nz](http://www.ird.govt.nz) or call Inland Revenue on **0800 377 777**.

## How to apply for paid parental leave

- Work out the date your leave will start.
- Read the notes on the following pages before filling in this form.
- Complete the "Applicant to complete" parts of the form.
- Sign the "Applicant's statement".
- Either:
  - have your chartered accountant complete their part and sign the "Declaration by chartered accountant", **or**
  - make a self-declaration witnessed by a Justice of the Peace, solicitor or other person authorised to take a statutory declaration.
- Enclose a copy of either:
  - a certificate from your medical practitioner or midwife stating that you're pregnant and your expected date of delivery, **or**
  - evidence you are caring for a child you intend to adopt.

- Send the form and documentation to:

**Inland Revenue**  
**PO Box 3752**  
**Christchurch 8140**

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** for further information.

### Note

You can apply for paid parental leave before the date your parental leave commences, or at any time while you're on leave. You must, however, apply for the payments before you return to work or cease your self-employment.

## General information

### What is paid parental leave?

Paid parental leave is a government-funded entitlement paid to working mothers while they take parental leave from their job(s).

As a self-employed person expecting a baby you can apply for paid parental leave. The maximum payment is \$391.28 a week before tax or 100% of your average weekly earnings, whichever is the lower.

Your paid parental leave payments will be treated as income and, where relevant, you'll have tax and student loan deductions taken out at whatever rate applies to you. ACC earners' levy is not deducted from paid parental leave payments.

You may also be entitled to Working for Families Tax Credits. These are entitlements for families who have dependent children 18 years or younger. There are four payment types, each subject to an income test. To find out if you qualify, call Inland Revenue on **0800 257 477**.



### ***Periods of self-employment***

If you're engaged in multiple types of self-employed 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 the 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.

**You must be taking parental leave from your self-employment to qualify for paid parental leave payments. If you cease being self-employed before your parental leave starts, or during your paid parental leave, you're no longer eligible to receive paid parental leave payments and must inform Inland Revenue of the change in your situation.**

### ***Transfer of entitlement***

Your parental leave entitlement can be transferred to your husband, civil union partner, or de facto partner, as long as they also qualify for paid parental leave from their employer or self-employment. Your spouse or partner doesn'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.

### ***Who does not qualify for paid parental leave?***

- mothers who have been self-employed for less than 6 months
- mothers applying whose previous period of parental leave ended within the last 6 months
- mothers where the family is already receiving parental tax credit for the child.

### ***When to apply***

You can apply for paid parental leave before the date your parental leave commences, or at any time while you're on leave. You must, however, apply for the payments before you return to work or cease your self-employment.

If you have any questions about your eligibility for paid parental leave, please 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**.

### ***How much will you receive?***

The maximum amount paid is \$391.28 a week before tax.

If you earn less than this on a weekly basis from your self-employment, your payments will be the same as the income you earn from your self-employment. You are entitled

to \$112.50 a week before tax if your average weekly earnings over the previous six or 12 months are less than the equivalent of 10 hours pay at the highest rate of minimum wage. This rate also applies if you made a loss.

In this case you'll be paid at a flat rate of \$112.50 a week before tax, equivalent to 10 hours of work at the minimum wage rate.

Paid parental leave payments are paid fortnightly from the date we process your application or the date you start your leave. Inland Revenue will send you confirmation within 14 days that your application has been processed, the date of your first payment and how much you'll receive. Your first payment will be backdated to the date your parental leave started.

### ***Self-employed and employee***

It's possible that you work both as an employee and as a self-employed person. If you qualify for paid parental leave both as an employee and as a self-employed person and you intend to take parental leave from both types of employment in order to combine the incomes from these different employments to maximise your parental leave payment, you have to fill in an application form for both. Fill in the form attached to these notes as a self-employed person and a *Paid parental leave application for an employee (IR 880)* form as an employee. Send both application forms in together. If you qualify for the maximum entitlement from your self-employment or from your employment alone, you don't need to fill in both types of application form.

### ***Length of time you'll be paid***

You can receive paid parental leave for a maximum of 14 weeks.

You're required to stop working in your business while receiving parental leave payments otherwise the payments will end. However, you can maintain a limited level of oversight of your business while on paid parental leave, including occasional administrative tasks, as well as receive income for services performed prior to the commencement of your paid parental leave and income earned by other people in your business during your period of paid parental leave. Payments will end if you return to self-employed work on a regular basis, or cease your self-employment.

If you have any questions about your eligibility for paid parental leave, 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**.

## **Notes for the applicant**

You must fill in the parts of the application form marked "Applicant to complete". Your chartered accountant must verify your status as self-employed, your net income and average weekly earnings. 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. In either case, when you send

the form to Inland Revenue, you must enclose a copy of a certificate from your medical practitioner or midwife stating that you're pregnant and your expected date of delivery.

In case of adoption send a copy of your evidence you are caring for a child you intend to adopt. If you're not sure what papers to send, call the Department of Labour on **0800 20 90 20**.

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

Your chartered accountant must complete their part of the form and sign the "Declaration by Chartered accountant".

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**

If you don't have a chartered accountant, fill in the "Applicant to complete" parts of the form, sign the "Applicant's statement" and complete the "Self-employed applicant'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 you fill in the application form***

If you're not sure how to fill in the form, visit **www.ers.dol.govt.nz/parentalleave** or call the Department of Labour on **0800 20 90 20**.

#### **Note 1: 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 2: Self-employment categories**

When you apply as a self-employed person, you must identify on the application 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 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 the 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.

It's possible that you work both as an employee and as a self-employed person. If you qualify for paid parental leave both as an employee and as a self-employed person and you wish to take paid parental leave from both types of employment, you have to fill in an application form for both.

To check if your multiple types of work are concurrent or consecutive, or if you're not sure whether you're employed or self-employed, call the Department of Labour on **0800 20 90 20**.

#### **Note 3: Child's date of birth or expected due date**

Enter either your child's date of birth, or the expected due date if your child is yet to be born.

If you're applying for leave for a child you intend to adopt, enter the date you first assume care of the child and the child's date of birth.

You need to provide evidence of pregnancy or that you have assumed the care of a child under six who you intend to adopt. Evidence of pregnancy is a certificate, or a copy of a certificate, from a medical practitioner or midwife stating that you are pregnant and the expected date of delivery.

Evidence of adoption is:

- A letter from a Social Worker saying you are keeping or will be keeping a child in your home with a view to adoption; or
- A certified copy of an interim order of a court under section 6(1)(b) of the *Adoption Act 1955*; or
- A copy of a statutory declaration to the effect that you have assumed the care of a child that you plan to adopt either on your own, or jointly with your spouse or partner.

#### **Note 4: 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 5: Parental tax credit

This is a Working for Families Tax Credits payment. This is a maximum of \$150 a week for the first eight weeks after the baby is born. Parental tax credit can't be paid for a child for whom paid parental leave is paid, so you must make a choice between the two types of payment. Once you've chosen which payment you'd like to receive, you can't change your mind. For most people paid parental leave payments will be higher than parental tax credit. To help you choose which payment is better for you, answer the questions on the form.

Parental tax credit may be better for you if:

- you earn less than \$20,346 a year before tax from your self-employment (that you're taking leave from), **or**
- for this application, you're expecting three or more children (from multiple birth or adoptions), **or**
- you're taking less than 14 weeks' parental leave.

If you ticked "Yes" to any of these three questions we'll contact you to discuss your circumstances to work out which payment would be better for you—paid parental leave or parental tax credit.

If you ticked "No" to all three questions, then paid parental leave is better for you. Tick the circle to show you're choosing to receive paid parental leave payments instead of parental tax credit.

If you have any questions about parental tax credit, visit [www.ird.govt.nz](http://www.ird.govt.nz) or call Inland Revenue on **0800 377 777**.

### Note 6: Do you want to transfer any of your entitlement to your spouse or partner?

If your spouse or partner is also taking parental leave from their job or self-employment, you can transfer all or some of your paid parental leave entitlement to them, provided they are eligible for paid parental leave. You can do this when you first apply for paid parental leave or at any time while you're receiving the paid parental leave payments.

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.

To transfer your entitlement you must fill in a *Paid parental leave transfer to an employee (IR 881)* or a *Paid parental leave transfer to a self-employed person (IR 889)* showing your spouse's or partner's details. Visit

[www.ers.dol.govt.nz/parentalleave](http://www.ers.dol.govt.nz/parentalleave) to download these forms or call the Department of Labour on **0800 20 90 20** to have them sent to you.

### Note 7: 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 information, please call **0800 221 221**.

### Note 8: 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 9: 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 parental leave on the basis of the previous 12 months' self-employment, enter 1/52 of your net income for the 12 months ending on the baby's expected due date or, in the case of adoption, the date you assume care of the child.
- If you qualify for parental leave on the basis of your previous six months' self-employment, enter 1/26 of your net income for the six months ending on 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 10: 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 11: 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 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 12: Statements**

##### ***Self-employed applicant***

You must fill in the parts of the application form marked "Applicant to complete". Read the "Applicant's statement" carefully before signing. Your chartered accountant must verify your net income, your average weekly earnings and your self-employment status by signing their statement.

Then you can send the form to Inland Revenue with a certificate or a copy of a certificate from your medical practitioner or midwife stating that you're pregnant and your expected date of delivery, or evidence you are caring for a child you intend to adopt.

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 person's net income, their average weekly earnings and self-employment status, you only need to fill in your details in the "Chartered accountant to complete" section of the application form and sign the "Declaration by Chartered accountant" to verify the information provided by the applicant.

You must be a member of the New Zealand Institute of Chartered Accountants. Please read these notes and the "Declaration by Chartered accountant" 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.

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 phone calls answered in, and made by, our permanent call centres. For further information about our call recording policy and how you can access your recorded information, please go to [www.ird.govt.nz](http://www.ird.govt.nz) or call us on **0800 227 773** or **0800 377 774** (if you or your partner are in business).

##### **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**.





## Applicant to read and complete, continued...

Your paid parental leave commencement date (see note 8)

<input type="text"/>							
Day	Month	2	0	Year			

Your average weekly earnings as self-employed (see note 9)

\$

Are you taking less than 14 weeks' leave?

Yes  No

If "Yes", supply your return date to work

<input type="text"/>							
Day	Month	2	0	Year			

Have you been self-employed for 6 months or more? (see note 10)

Yes  No

Over the past 6 months, have your average weekly work hours been 10 hours or more? (see note 10)

Yes  No

Over the past 12 months, have your average weekly work hours been 10 hours or more? (see note 10)

Yes  No

Current or estimated tax code (see note 11)

The following information is collected for statistical purposes. These questions are optional.

Please select the ethnic group(s) you belong to

- NZ European     Cook Island Māori     Chinese  
 Māori     Tongan     Indian  
 Samoan     Niuean     Other (please specify)

Please select your gender

- Female  Male

Please select the New Zealand region where you live

- Auckland     Bay of Plenty     Canterbury     Gisborne  
 Hawke's Bay     Manawatu-Wanganui     Marlborough     Nelson  
 Northland     Otago     South Canterbury     Southland  
 Taranaki     Tasman     Waikato     Wellington  
 West Coast

Please select the industry group you belong to

- Agriculture, forestry, fishing     Health and community services     Government  
 Electricity, gas, water supplier     Mining     Education  
 Accommodation, restaurant     Construction     Manufacturing  
 Finance, property, business services     Communication     Wholesale and retail  
 Cultural and recreational     Personal and other services     Transport and storage

## Applicant's statement

There are penalties if you give false or misleading information. (see note 12 before signing this statement)

I understand that the information in this application form is true and correct to the best of my knowledge. 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, as will my spouse or partner in the case of transfer of the entitlement. 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 and that my spouse or partner, in case of transfer of entitlement, cannot receive parental tax credit for the children this application relates to either. Except for oversight or occasional administrative tasks, I will not work in my business while receiving parental leave payments.

Self-employed applicant'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.
- Attach a copy of a certificate from your medical practitioner or midwife stating that you are pregnant, or evidence you are caring for a child you intend to adopt.



## Self-employed applicant's self-declaration Only complete if you don't use a chartered accountant.

There are penalties if you give false or misleading information. **(see note 12 before signing this statement)**

I, \_\_\_\_\_ [state name of self-employed person] of  
\_\_\_\_\_ [state place of abode and occupation],  
solemnly and sincerely declare that—

(a) I am self-employed because I am [tick all that apply]—

- (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) to the best of my knowledge my net income in the [tick whichever applies]—

- 6 months; **or**
- 12 months

immediately preceding the

- expected date of delivery of my child (or children); **or**
- date on which I will assume the care of a child (or children) with a view to adoption

is or will be \$ \_\_\_\_\_ [state amount]; **and**

(c) to the best of my knowledge my average weekly earnings in the [tick whichever applies]—

- 6 months; **or**
- 12 months

immediately preceding the

- expected date of delivery of my child (or children); **or**
- date on which I will assume the care of a child (or children) with a view to adoption

are or will be \$ \_\_\_\_\_ [state amount]—

**and** I make this solemn declaration conscientiously believing the same to be true by virtue of the Oaths and Declarations Act 1957.

\_\_\_\_\_  
Signature of applicant

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

Declared at \_\_\_\_\_ [place] \_\_\_\_\_ [date]

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Date

Justice of the Peace

[or other person authorised to take a statutory declaration]

### CHECK LIST

#### Have you included your?

- Bank account details
- Paid parental leave commencement date
- Medical certificate or note from midwife or medical practitioner, or evidence you are caring for a child you intend to adopt
- Signed declaration from chartered accountant or Justice of the Peace