



Cabinet Social Outcomes Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Proposed Amendment of the Approved Information Sharing Agreement between Inland Revenue and Ministry of Social Development to Support Income Charging

Portfolios **Social Development and Employment / Revenue**

On 1 April 2026, the Cabinet Social Outcomes Committee:

- 1 **noted** that Cabinet agreed through Budget 2025 to improve the accuracy and integrity of benefit payments in two phases, with Phase 1 having taken effect from July 2025 and Phase 2 to be implemented from July 2028 [CAB-25-MIN-0126.61];
- 2 **noted** the Privacy Act 2020 requires 10 working days' notice (the notice period) be provided to allow clients to dispute the correctness of their personal information shared under the Approved Information Sharing Agreement (AISA) between the Ministry of Social Development (MSD) and Inland Revenue (IR), and that under section 153 of the Privacy Act 2020, the notice period can be dispensed with if the AISA explicitly specifies that this notice period does not apply;
- 3 **agreed in principle**, subject to paragraph 9 below, to amend the AISA to remove the notice period to allow MSD to charge PAYE income against benefits from October 2026 and subsidies from July 2028, in order to realise the full savings and benefits from Phase 2;
- 4 **agreed in principle**, subject to paragraph 9 below, to amend the AISA to remove the notice period for public housing and the Public Housing Register and charging child support income against Income-Related Rent from October 2026;
- 5 **noted** that any proposed changes to the AISA require MSD and IR to undertake public consultation;
- 6 **agreed** to release the consultation guidance document containing the proposed amendments to the AISA, attached under SOU-26-SUB-0023, for public consultation, which will run from 20 April 2026 to 29 May 2026;
- 7 **authorised** the Minister for Social Development and Employment and the Minister of Revenue (the Ministers) to make minor and technical changes to the consultation guidance document and proposed AISA amendments prior to their public release;
- 8 **authorised** the Ministers to provide a summary of consultation feedback for release to the public following public consultation;

- 9 **authorised** the Ministers to agree to the policy change and to make minor and technical changes to the proposed AISA amendments following public consultation;
- 10 **invited** the Ministers to issue drafting instructions to the Parliamentary Counsel Office to give effect to decisions made under the authorisation in paragraph 9 above.

Tom Kelly
Committee Secretary

Present:

Hon David Seymour
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston (Chair)
Hon Matt Doocey
Hon Nicole McKee
Hon Casey Costello
Hon Penny Simmonds
Hon Scott Simpson
Hon Karen Chhour

Officials present from:

Officials Committee for SOU