

INLAND REVENUE

AND

MINISTRY OF SOCIAL DEVELOPMENT

**VARIATION TO MEMORANDUM OF
UNDERSTANDING FOR THE
COMMENCEMENT/CESSATION OF BENEFITS AND
STUDENT ALLOWANCES DATED MAY 2018**



**MINISTRY OF
SOCIAL DEVELOPMENT**
Te Manatū Whakahiato Ora



Inland Revenue
Te Tari Taake

IN CONFIDENCE

PARTIES

The Chief Executive of the Ministry of Social Development or his or her authorised delegate ("**MSD**"); and

The Commissioner of Inland Revenue or his or her authorised delegate ("**Inland Revenue**" or "**IRD**").

BACKGROUND

- A MSD and Inland Revenue are parties to an Memorandum of Understanding ("MOU" or "Memorandum") under which MSD provides Beneficiary Information to Inland Revenue to facilitate the timely commencement, cessation and correct calculation of entitlements to Working for Families Tax Credits, dated 29th May 2018.
- B In accordance with clause 16 of the MOU, the parties wish to vary the MOU to reflect the change in Secure Transmission Method from USB Ironkey to Secure File Transfer Protocol ("SFTP") as the method by which information will be shared between MSD and IRD.

COVENANTS

1. DEFINITIONS AND INTERPRETATION

- 1.1 Definitions:** In this Variation, including the Background, terms defined in the MOU have the same meaning where used in this Variation and the following terms have the following meanings unless the context requires otherwise.

Effective Date means the date this Variation is signed by both parties.

MOU means the Memorandum of Understanding under which MSD provides Beneficiary Information to Inland Revenue to facilitate the timely commencement, cessation and correct calculation of entitlements to Working for Families Tax Credits, dated 29th May 2018.

Variation means this Variation, including any Annexure to it.

- 1.2 Interpretation:** In this Variation:

- (a) headings are for convenience only and have no legal effect;
- (b) reference to the singular includes the plural and vice versa; and
- (c) reference to any document includes any amendment, supplementation or replacement of it made from time to time.

2. VARIATION

2.1 Variation of terms: The parties agree to vary the MOU as set out in the Annexure with effect on and from the Effective Date.

2.2 Terms remain in effect: Except as expressly varied in this Variation, the terms contained in the MOU continue and remain in full force and effect.

3. COUNTERPARTS

3.1 Counterparts: This Variation may be signed in any number of counterparts (including facsimile copies) all of which, when taken together, will constitute one and the same variation. A party may enter into this Variation by signing any counterpart.

EXECUTED:

The Commissioner of Inland Revenue, or her authorised delegate Signature: 
Name: Echo Brooke-White
Position: Group Lead - Information Sharing
Date: 18/4/19

The Chief Executive of the Ministry of Social Development, or her authorised delegate Signature: 
Name: Liz Jones
Position: Acting Deputy Chief Executive Service Delivery, Ministry of Social Development
Date: 4/4/19

Section 9(2)(a) Witnessed by:
Section 9(2)(a) Name:
Date: 18/4/19

Section 9(2)(a) Witnessed by:
Section 9(2)(a) Name:
Date: 4/4/19

ANNEXURE

The MOU is amended as set out below. In the event of any inconsistency or contradiction between the MOU and the terms set out in this Annexure, the terms set out in this Annexure apply.

1. Transfer of Source Information

Clause 10 of Schedule II of the MOU is deleted and replaced with the following:

10 Transfer of Information

- 10.1 The Parties may transfer the Source and Match Information between each other using a Secure Transmission Method.
- 10.2 Where an online connection request has not been made or an online connection is unable to be used, MSD shall supply the Source Information to IRD on USB Ironkey delivered by secure courier. Any such USB Ironkey is to be encrypted.
- 10.3 Where an online connection request has not been made or an online connection is unable to be used, IRD shall supply the Match Information to MSD on USB Ironkey delivered by secure courier. Any such USB Ironkey is to be encrypted.

2. Automated Online Process for exchange of Source and Match Information

Clause 11 of Schedule II of the MOU is deleted and replaced with the following:

11 Automated Online Process

11.1 MSD will be responsible for ensuring that:

- 11.1.1** The level of file encryption used remains consistent with current New Zealand Information Security Manual standards for restricted level information.
- 11.1.2** The data extraction programs and other processes associated with the transfers ensure that only information relevant to the MOU is exchanged.
- 11.1.3** Transfers of data will be performed in accordance with the specifications contained in the Technical Standards.
- 11.1.4** The performance and use of the online transfer systems is cooperatively audited.

3. Corrupted File, USB Ironkey, Source Information and Match Information

Clause 15 of Schedule II of the MOU (including the heading) is deleted and replaced with the following:

15 Corrupted File, Source Information or Match Information

15.1 Either Party shall immediately notify the other Party if any:

15.1.1 Online transfer data batch is found to be corrupted or otherwise unusable;

15.1.2 Source or Match Information in the batch is found to be corrupted or otherwise unusable; or

15.1.3 Source or Match Information appears to not comply with the requirements of this MOU.

15.2 On receiving any notice under clause 15.1 of this Schedule of the MOU from IRD, MSD shall, as soon as practicable and subject to the procedures in this Schedule, provide to IRD:

15.2.1 In the circumstances set out in clause 15.1.1 of this Schedule, a replacement online transfer data batch, that is not corrupt or unusable and which includes the same Source Information as the original batch;

15.2.2 In the circumstances set out in clause 15.1.2 of this Schedule, Source Information that is not corrupt or unusable; or

15.2.3 In the circumstances set out in clause 15.1.3 of this Schedule, Source Information that does comply with the requirements of this MOU.

15.3 On receiving any notice under clause 15.1 of this Schedule from MSD, IRD shall at no cost, as soon as practicable and subject to the procedures in this Schedule, provide to MSD:

15.3.1 In the circumstances set out in clause 15.1.1 of this Schedule, a replacement online transfer data batch, that is not corrupt or unusable and which includes the same Match Information as the original batch;

15.3.2 In the circumstances set out in clause 15.1.2 of this Schedule, Match Information that is not corrupt or unusable; or

- 15.3.3 In the circumstances set out in clause 15.1.3 of this Schedule, Match Information that does comply with the requirements of this MOU.

4. Identification of USB Ironkey or Data Batch File

Clause 16 of Schedule II of the MOU (including the heading) is deleted and replaced with the following:

16. Identification of Data Batch File

- 16.1 Each USB Ironkey supplied by the Parties pursuant to clause 10.2 and clause 10.3 of these Technical Standards shall be clearly labelled.
- 16.2 Each copy of a data batch file supplied by the Parties shall be identified by a unique serial number so that no two files shall have the same serial number. The serial number shall be included in the batch file name.

Released Under The Official Information Act 1982

Released Under The Official Information Act 1982

INLAND REVENUE

AND

MINISTRY OF SOCIAL DEVELOPMENT

**VARIATION TO MEMORANDUM OF
UNDERSTANDING FOR THE EXCHANGE OF
INFORMATION FOR WORKING FOR FAMILIES
TAX CREDIT AND BENEFIT DOUBLE PAYMENT
DATED MAY 2018**



**MINISTRY OF
SOCIAL DEVELOPMENT**
Te Manatū Whakahiato Ora



Inland Revenue
Te Tari Taake

UNCLASSIFIED

PARTIES

The Chief Executive of the Ministry of Social Development or his or her authorised delegate ("**MSD**"); and

The Commissioner of Inland Revenue or his or her authorised delegate ("**IRD**").

BACKGROUND

- A MSD and IRD are parties to an Memorandum of Understanding ("MOU" or "Memorandum") under which MSD provides Beneficiary Information to IRD to facilitate the timely commencement, cessation and correct calculation of entitlements to Working for Families Tax Credits, dated 29th May 2018.
- B In accordance with clause 19 of the MOU, the parties wish to vary the MOU to reflect the change in Secure Transmission Method from USB Ironkey to Secure File Transfer Protocol ("SFTP") as the method by which information will be shared between MSD and IRD. The Parties also wish to reflect a minor process change regarding receipt of the BestStart Tax Credit.

COVENANTS**1. DEFINITIONS AND INTERPRETATION**

- 1.1 Definitions:** In this Variation, including the Background, terms defined in the MOU have the same meaning where used in this Variation and the following terms have the following meanings unless the context requires otherwise.

Effective Date means the date this Variation is signed by both parties.

MOU means the Memorandum of Understanding under which MSD provides Beneficiary Information to Inland Revenue to facilitate the timely commencement, cessation and correct calculation of entitlements to Working for Families Tax Credits, dated 29th May 2018.

Variation means this Variation, including any Annexure to it.

- 1.2 Interpretation:** In this Variation:

- (a) headings are for convenience only and have no legal effect;
- (b) reference to the singular includes the plural and vice versa; and
- (c) reference to any document includes any amendment, supplementation or replacement of it made from time to time.

2. VARIATION

2.1 Variation of terms: The parties agree to vary the MOU as set out in the Annexure with effect on and from the Effective Date.

2.2 Terms remain in effect: Except as expressly varied in this Variation, the terms contained in the MOU continue and remain in full force and effect.



3. COUNTERPARTS

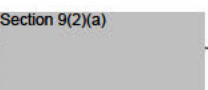

3.1 Counterparts: This Variation may be signed in any number of counterparts (including facsimile copies) all of which, when taken together, will constitute one and the same variation. A party may enter into this Variation by signing any counterpart.

EXECUTED:

The Commissioner of Inland Revenue, or her authorised delegate
Signature: 
Name: Echo Brooke-White
Position: Group Lead - Information Sharing
Date: 18/4/19

The Chief Executive of the Ministry of Social Development, or her authorised delegate
Signature: 
Name: Liz Jones
Position: Acting Deputy Chief Executive Service Delivery, Ministry of Social Development
Date: 4.4.19

Witnessed by: 
Name: 
Date: 18/4/19

Witnessed by: 
Name: 
Date: 4.4.19

ANNEXURE

The MOU is amended as set out below. In the event of any inconsistency or contradiction between the MOU and the terms set out in this Annexure, the terms set out in this Annexure apply.

1. SCHEDULED INFORMATION EXCHANGE

Clause 5 of Schedule 1 of the MOU is deleted and replaced with the following:

5 SCHEDULED INFORMATION EXCHANGE

- 5.1** Under a Scheduled Information Exchange, IRD shall create, from the IRD database, a computer file of Individual Information relating to Qualifying Persons and their Partner, if any.
- 5.2** The file created shall only relate to the identified fortnightly or monthly period and recipients of Working for Families Tax Credits in that period.
- 5.3** The file shall be in the Agreed Format and transmitted via a Secure Transmission Method. Where an online connection request has not been made or an online connection is unable to be used, a Delegated Person at IRD shall supply the Source Information to an Authorised Receiver at MSD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.
- 5.4** The file shall be sent to the Authorised Receiver of Information at MSD via a Secure Transmission Method to that Authorised Receiver of Information.
- 5.5** The Authorised Receiver of Information at MSD will receive the information and incorporate it into the MSD system.
- 5.6** The Authorised Receiver of Information will run a Comparison with the information received via the Secure Transmission Method and will extract records for those Individuals for whom there is a Match.
- 5.7** The Authorised Receiver of Information will create a computer file containing the Matched Information and prepare that information for transmission via a Secure Transmission Method to a Delegated Person at IRD. Where an online connection request has not been made or an online connection is unable to be used, MSD shall supply the Matched Information to IRD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

2. 9.1.9 Procedures Relating to an Employment Commencement and Cessation Comparison in Relation to a Cardholder

New clause 9.1.9 (e) is inserted into Clause 9.1.9 of Schedule 1 of the MOU:

- (e) If the Cardholder is shown on the IRD Database as in receipt of the BestStart Tax Credit only, no information concerning that Cardholder will be supplied by IR to MSD.

3. FORMAT OF INFORMATION

Clause 10.1 of Schedule 1 of the MOU is deleted and replaced with the following:

10.1 Separate Computer Files: The Individual Information that accompanies or is relevant for any request for:

10.1.1 Employment Commencement and Cessation information made for the purposes of Clauses 5.3.1, 5.4, 7.2.2, 7.2.3 or 7.2.4 of the Memorandum; and

10.1.2 Income information made for the purposes of Clauses 5.3.2 or 7.2.1 of the Memorandum;

10.1.3 Working for Families Tax Credit double payment identification information made for the purposes of Clause 8 of the Memorandum; and

shall be contained in separate computer files. Where an online connection request has not been made or an online connection is unable to be used, MSD shall supply the Matched Information to IRD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

The first paragraph of Clause 10.2 of Schedule 1 of the MOU is amended as follows:

10.2 MSD: Information relating to Employment Commencement and Cessation and Income requests supplied by MSD to IRD for the purposes of the information Matching arrangements shall be contained in separate computer files. Where an online connection request has not been made or an online connection is unable to be used, MSD shall supply the Matched Information to IRD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

The first paragraph of Clause 10.3 of Schedule 1 of the MOU is amended as follows:

10.3 IRD: Information relating to Employment Commencement and Cessation and Income requests supplied by IRD to MSD for the purposes of this Memorandum shall be contained in separate computer files. Where an online connection request has not been made or an online connection is unable to be used, IRD shall supply the Matched Information to MSD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

The first paragraph of Clause 10.4 of Schedule 1 of the MOU is amended as follows:

10.4 IRD: Information relating to income information for Cardholders supplied by IRD to MSD for the purposes of this Memorandum shall be contained in separate computer files. Where an online connection request has not been made or an online connection is unable to be used, IRD shall supply the Matched Information to MSD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

The first paragraph of Clause 10.5, Schedule 1 of the MOU is amended as follows:

10.5 IRD: Information relating to Working for Families Tax Credit double payment identification supplied by IRD to MSD for the purposes of this Memorandum shall be contained in separate computer files. Where an online connection request has not been made or an online connection is unable to be used, IRD shall supply the Matched Information to MSD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

The first paragraph of Clause 10.6 of Schedule 1 of the MOU is amended as follows:

10.6 MSD: Information relating to Working for Families Tax Credit double payment identification supplied by MSD to IRD for the purposes of this Memorandum shall be contained in separate computer files. Where an online connection request has not been made or an online connection is unable to be used, MSD shall supply the Matched Information to IRD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.

4. USB IRONKEY PRODUCTION AND STORAGE

The title "USB IRONKEY PRODUCTION AND STORAGE" at Clause 14, Schedule 1 of the MOU is deleted and replaced with the title "BACKUP INFORMATION AND PRINTED OUTPUT"

Clause 14 of Schedule 1 of the MOU is deleted and replaced with the following:

14.1 Back-up copies of information: Back-up copies of information are retained at the discretion of MSD or IRD for their own data. Information will be deleted in line with Clause 15 of the Memorandum.

14.2 Use and Receipt of USB Ironkey: Where USB Ironkeys are used to transfer information (in the circumstances outlined in clause 5 and clause 10 of these Technical Standards) the exchange of each USB Ironkey shall be scheduled by MSD and IRD through a Delegated Person at IRD and an

Authorised Receiver at MSD. Each transfer must be documented and receipted using the receipt template at Schedule 2.

- 14.3 District Offices:** MSD shall be responsible for ensuring that any printed output provided to its district offices as a result of this Memorandum shall be protected and dealt with while in the custody of those district offices as appropriate under the Memorandum, the TAA and the Privacy Act 1993.

Released Under The Official Information Act 1982

Released Under The Official Information Act 1982

INLAND REVENUE

AND

MINISTRY OF SOCIAL DEVELOPMENT

**VARIATION TO MEMORANDUM OF
UNDERSTANDING FOR THE SUPPLY OF
INFORMATION FOR WORKING FOR FAMILIES
TAX CREDITS ADMINISTRATION
DATED MAY 2018**



**MINISTRY OF
SOCIAL DEVELOPMENT**
Te Manatū Whakahiato Ora



Inland Revenue
Te Tari Taake

IN CONFIDENCE

PARTIES

The Chief Executive of the Ministry of Social Development or his or her authorised delegate ("**MSD**"); and

The Commissioner of Inland Revenue or his or her authorised delegate ("**Inland Revenue**" or "**IRD**").

BACKGROUND

- A MSD and Inland Revenue are parties to an Memorandum of Understanding ("MOU" or "Memorandum") under which MSD provides Beneficiary Information to Inland Revenue to facilitate the timely commencement, cessation and correct calculation of entitlements to Working for Families Tax Credits, dated 29 May 2018.
- B In accordance with clause 12 of the MOU, the parties wish to vary the MOU to reflect the change in Secure Transmission Method from WebService to Secure File Transfer Protocol (SFTP) as the method by which information will be shared between MSD and IRD.

COVENANTS

1. DEFINITIONS AND INTERPRETATION

- 1.1 Definitions:** In this Variation, including the Background, terms defined in the MOU have the same meaning where used in this Variation and the following terms have the following meanings unless the context requires otherwise.

Effective Date means the date this Variation is signed by both parties.

MOU means the Memorandum of Understanding under which MSD provides Beneficiary Information to Inland Revenue to facilitate the timely commencement, cessation and correct calculation of entitlements to Working for Families Tax Credits, dated 29 May 2018.

Variation means this Variation, including any Annexure to it.

- 1.2 Interpretation:** In this Variation:

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- (c) reference to any document includes any amendment, supplementation or replacement of it made from time to time.

2. VARIATION

2.1 Variation of terms: The parties agree to vary the MOU as set out in the Annexure with effect on and from the Effective Date.

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3.1 Counterparts: This Variation may be signed in any number of counterparts (including facsimile copies) all of which, when taken together, will constitute one and the same variation. A party may enter into this Variation by signing any counterpart.

EXECUTED:

The Commissioner of Inland Revenue, or her authorised delegate Signature: 
Name: <u>Echo Brooke White</u>
Position: <u>Group Lead - Information Sharing</u>
Date: <u>18/4/19</u>

The Chief Executive of the Ministry of Social Development, or her authorised delegate Signature: 
Name: <u>Liz Jones</u>
Position: <u>Acting Deputy Chief Executive Service Delivery, Ministry of Social Development</u>
Date: <u>4.4.19</u>

Witnessed by: <small>Section 9(2)(a)</small>
Name: <small>Section 9(2)(a)</small>
Date: <u>18/4/19</u>

Witnessed by: <small>Section 9(2)(a)</small>
Name: <small>Section 9(2)(a)</small>
Date: <u>4/4/19</u>

ANNEXURE

The MOU is amended as set out below. In the event of any inconsistency or contradiction between the MOU and the terms set out in this Annexure, the terms set out in this Annexure apply.

1. Transfer of Source Information

Clause 10.1 of Schedule II of the MOU is deleted and replaced with the following:

10 Transfer of Source Information

- 10.1 The Parties may transfer the Source Information between each other by means of Secure Transmission Method.
- 10.2 Where an online connection request has not been made or an online connection is unable to be used, MSD shall supply the Source Information to IRD on USB Ironkey delivered by secure courier. Any such USB is to be encrypted.
- 10.3 Where USB Ironkeys are used to transfer information (in the circumstances outlined in clause 10.2 above) the exchange of each USB Ironkey shall be scheduled by MSD and IRD through a Delegated Person at IRD and an Authorised Receiver at MSD (in compliance with clause 9 of the Memorandum). Each transfer must be documented and receipted using the receipt template at Annex D.

2. Corrupted USB Ironkey or Source Information

Clause 14 of Schedule II (including the heading) of the MOU is deleted and replaced with the following:

14. Corrupted Source Information

- 14.1 Either Party shall immediately notify the other Party if any:
 - a) On-line transfer data batch is found to be corrupted or otherwise unusable;
 - b) Source Information in the batch is found to be corrupted or otherwise unusable; or
 - c) Source Information appears to not comply with the requirements of this Memorandum
- 14.2 On receiving any notice under clause 14.1 from Inland Revenue, MSD shall, as soon as practicable and subject to the procedures in this schedule, provide to Inland Revenue:

- a) in the circumstances set out in clause 14.1 (a), provide a replacement on-line transfer data batch, that is not corrupt or unusable and which includes the same Source Information as the original batch;
- b) in the circumstances set out in clause 14.1 (b), Source Information that is not corrupt or unusable; or
- c) in the circumstances set out in clause 14.1 (c), Source Information that does comply with the requirements of this Memorandum.

Released Under The Official Information Act 1982

3. Identification of USB Ironkey or data batch file

Clause 16 of Schedule II (including the heading) of the MOU is deleted and replaced with the following:

16. Identification of data batch file

16.1 Each copy of a data batch file supplied by MSD to Inland Revenue shall be identified by a unique serial number so that no two files shall have the same serial number. The serial number shall be included in the batch file-name.

4. Back-up USB Ironkey or data batch file

Clause 17 of Schedule II (including the heading) of the MOU is deleted and replaced with the following:

17. Back-up data batch file

17.1 MSD and Inland Revenue may back up any data batch files as a safety precaution in the event of any technical or other problems.

17.2 The information in back-up data batch files shall be erased or overwritten after a period of 16 weeks.

17.3 This clause (clause 17 of Schedule II) is subject to any applicable requirements to retain copies of public documents in accordance with each Party's legal obligations in respect of the retention of copies of public records.

5. Annex D

Annex D relating solely to the old Web Service is of the MOU is deleted and replaced with a new Annex D containing the receipt template referred to in clause 10.3 of the Technical Standards.

The Annex D receipt template is attached as the Appendix of this Variation.

Appendix

Annex D

DATA SUPPLY RECEIPT

For the supply of information under section 81A of the Tax Administration Act 1994.

Supply of Information:	
(To be completed by supplier of information)	
Extract Date: __/__/__	File ID: _____
Total Number of Records: _____	
Recording medium: _____	IronKey Label Id. _____
Prepared by: _____	
(Signature)	
_____	_____
(Print Name)	(Print Title)

Official Receipt:

(To be completed by receiver of information)

Date: __/__/__ at:

(24 hour clock)

I have today taken possession of the above file.

(Signature)

(Print Name)

(Print Title)

Released Under The Official Information Act 1982