Inland Revenue
Te Tari Taake

Automatically issued income tax assessment flowchart

Does the customer receive only reportable income?

Reportable income includes:

- salary and wages (or other PAYE income)
- schedular payments
- investment income, such as interest, dividends, or Maori authority distributions
- employee share scheme benefits
- undertaxed PIE income, or
- other income that is less than $200

We'll base this off of the types of income we're aware of for the current and previous tax years.

The types of income filed in previous returns will help us determine the assessment type for 2019. However, the type of return filed previously (IR3 or PTS) will not influence it.

Yes →

Did the client receive a request to review their income information?

Based on the information we have, we may ask customers to review their income information and update it if necessary.

If we do not hear from the customer within a set timeframe, we'll assume the information is correct and complete the assessment.

No →

The customer will receive an automatically issued income tax assessment by the end of July

The customer will receive a letter letting them know about their automatically issued income tax assessment.

If the customer has a tax agent who has redirected customer mail to themselves, the tax agents will receive this letter instead.

Yes →

The customer needs to review and update their income information before they receive an automatically issued income tax assessment

We may ask a customer to review their income information if:

- they receive investment income, such as interest for joint accounts, dividends, or Maori authority distributions
- they have claimed expenses in the past, or
- they can claim expenses, such as for schedular income.

From 1 April 2020, investment income details will be sent to us when payers adopt the new Investment income reporting requirements. These customers will then get an automatically calculated income tax assessment. The requirements are voluntary for the 2020 tax year and mandatory in the 2021 year.

No →

The customer must file an IR3, which can be done through myIR

Income other than that from reportable sources may include:

- overseas income
- self-employed income
- shareholder-employee salary
- rental income
- income from estates, trusts, look-through companies or partnerships
- resident land withholding tax (RLWT), or
- profit/loss from sale of property.