



FOR ALL YOUR  
ACCOUNTING NEEDS

*Welcome to the fourteenth issue of our newsletter.*

A brief newsletter (as we have March madness in our office!) with some important changes coming up:

**Minimum Wage Increase – Are you ready?**

The minimum wage rates increase from Saturday 1<sup>st</sup> April 2023.

- Adult minimum wage will go up, from \$21.20 to \$22.70 per hour.
- Starting-out and training minimum wage will go up from \$16.96 to \$18.16 per hour.
- All rates are before tax and any lawful deductions, for example PAYE tax, student loan repayment, child support, kiwisaver.

The minimum wage applies to employees who are:

- full time, part time, fixed-term, casual, working from home.
- Paid by wages, salary, commission or piece rates (with some exceptions)

Employees must be paid at least the minimum hourly wage rate for every hour worked, unless they agree to a higher rate in their employment agreement.

**Salaried Employees** – full time employees can divide their pay by the number of hours they work in a **pay period** to make sure they earn the minimum wage. That means if an employee is paid weekly they divide their weekly pay by the number of hours they worked in that week, if they are paid fortnightly they divide their fortnightly pay by the number of hours they worked in that fortnight.

Part-time employees should have their pay specified per hour, day or week and these amounts must be equal to or higher than the relevant minimum wage.

**Wage Earners** – can check their hourly rate is at least the minimum wage, any extra hours they're asked to work must also be at least the minimum wage.

While on the subject of employees, now is a good time to make sure you have written **employment agreements** for every employee – this helps both the employer and the employee know what is expected from them and what they are entitled to.

[www.employment.govt.nz](http://www.employment.govt.nz) provides further information to assist you in all these areas.  
<https://eab.business.govt.nz/employmentagreementbuilder/startscreen/> this tool can assist you with creating employment agreements.

***ACC Earner Levy rates included in PAYE for employees are increasing:***

From 01/04/2023 the ACC Earner Levy portion included in PAYE deductions is increasing from \$1.46 to \$1.53 per \$100 of earnings. Employers will need to recheck PAYE deductions for employees that are paid the same each period.

**End of Financial Year –  
March 31<sup>st</sup> 2023 Balance  
Dates**

We have started sending out March balance date clients a new terms of engagement and the End of Financial Year March 2023 Questionnaire for you to complete and return to us with the required information. Keep an eye on your inbox.

**Kiwisaver**

Being self-employed you can make voluntary contributions to your Kiwisaver at any time either directly to your kiwisaver provider or through IRD.

**Have you contributed enough (\$1042.86) since 1 July 2022 to qualify for the full member tax credit of \$521.43? If not, you have until 30<sup>th</sup> June 2023 to do so.**

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