

# Payroll Giving

## Information for employers



Thank you for your interest in helping your team support charities by setting up payroll giving at your workplace. Payroll giving is an easy way to support children and families affected by childhood cancer in New Zealand.

### What is payroll giving?

Payroll giving is a voluntary scheme that allows employees to make regular donations to a charity of their choice directly from their pay. They choose the amount to donate and frequency of the donation, and it is taken out of their pay before it goes into their account.

If an employee donates over \$5, they will receive an immediate tax credit of 33% towards their PAYE. This means that while the organisation will benefit from the full donation amount, the employee will receive a third of it back. They won't be issued a receipt for their payroll donation and they don't need to do anything at the end of the tax year, as they've already received the tax credits in the form of reduced PAYE.

### How to set up payroll giving

As an employer, you can only offer payroll giving if you file your employment information - IR348 - electronically. If you want to set this up, you'll need to register for myIR. There are two options for filing employment information online: an on-screen form to complete or file transfer through Gateway services, where you attach a file from your own software. If you already use payroll software it may be set up for payroll giving in your workplace. Ask your payroll software provider for help if you have any questions.

You can decide how payroll giving will work in your organisation by letting employees choose any approved donee organisation, or offering a limited list of approved organisations. The employee can decide who they'd like to donate to, how much to donate and how often, depending on how your scheme is set up. They receive an immediate tax credit for the payroll donation. This reduces their PAYE deducted from their wages. The donation and tax credits for payroll donations should show in your wage records and on your employee's pay slips.

Your employee can donate to any organisation on IRD's [approved list of donee organisations](#). If they donate to other organisations, it is not considered payroll giving and they will not receive a tax credit for these donations.

If you need more information, the IRD's payroll giving guide can be downloaded here: [www.ird.govt.nz/employing-staff/deductions-from-income/payroll-giving](http://www.ird.govt.nz/employing-staff/deductions-from-income/payroll-giving)

Now that you have payroll giving in place, you will need to set up your employee's donation in your payroll system:

- Deduct the requested donation amount from the employee's salary or wage
- Work out the tax credit for each donation, (33% of the donated amount) and reduce your employee's PAYE by this amount
- Record the tax credit for each employee when you submit your employer monthly schedule
- Pass the donation on to the donee organisation within the specified timeframe and let them know it is from payroll giving

## If you already have payroll giving set up

Child Cancer Foundation is on the IRD's list of approved organisations, so employees simply need to decide how much they want to donate and how often, then pass that information onto the payroll manager along with the following information:

<b>Organisation name</b>	Child Cancer Foundation
<b>Charities Commission registration number</b>	CC20434
<b>Bank account name</b>	Child Cancer Foundation Inc
<b>Bank account number</b>	12-3191-0041879-00
<b>Reference / Code</b>	Your business name
<b>Particulars</b>	Payroll give
<b>Child Cancer Foundation contact</b>	Jimmy Vesuna – Assistant Accountant
<b>Contact details</b>	09 303 9881 / <a href="mailto:accounts@childcancer.org.nz">accounts@childcancer.org.nz</a>

## Timeframe for passing on donations

Donations have to be passed to the donee organisation on or before the PAYE payment due date closest to the end of the two months from the last day of the pay period when the donation was deducted. If you do not pass on the donation when you should, the donation amount becomes PAYE debt for your business.

## Your responsibilities

- Keep records of all tax credits, donation amounts, donee organisations and payment dates
- Keep any receipts you get from donee organisations. Don't include these as donation receipts for your organisation or give them to your employees for individual tax purposes

## Why support Child Cancer Foundation?

Finding out your child has cancer turns your life upside down. It happens to more than three Kiwi families every week. None of them ever thought it would happen to their child.

Cancer doesn't care about these children or their families. Child Cancer Foundation does. We support them every step of the way, whatever the outcome, for however long it takes.

We focus on the whānau, not the cancer. No two families' experiences are the same, and neither is the nature of the support they need. One thing is always the same, though. We support every family to concentrate on the most important thing of all: loving and caring for their child.

We don't do this alone. The generosity of our fellow Kiwis ensures we can make these families' lives better. We all do this, together.

**If you'd like to know more about all the things we do to help families cope with the challenges of childhood cancer, you can find all the details at our website: [childcancer.org.nz](http://childcancer.org.nz).**



# Thank you

for taking the time to learn about payroll giving and what Child Cancer Foundation does to support Kiwi children with cancer and their whānau. Your workplace's support will go a long way in helping these families during the toughest time of their lives.

For more information, please contact one of our Business Development Managers:

**Tony Fitzgerald** (North Island) 04 916 0960 | **Andrew Gray** (South Island) 03 963 4380