

**Reprint  
as at 1 April 2013**



**Accident Compensation (Earners'  
Levy) Regulations 2012**

(SR 2012/8)

Accident Compensation (Earners' Levy) Regulations 2012: revoked, on 1 April 2013, by regulation 10(1) of the Accident Compensation (Earners' Levy) Regulations 2013 (SR 2013/15).

Jerry Mateparae, Governor-General

**Order in Council**

At Wellington this 20th day of February 2012

Present:

His Excellency the Governor-General in Council

Pursuant to sections 218(5), 244, 329, and 333 of the Accident Compensation Act 2001, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and on the recommendation of the Minister for ACC, makes the following regulations.

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**Note**

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

**These regulations are administered by the Department of Labour.**

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## Regulations

- 1 Title**  
These regulations are the Accident Compensation (Earners' Levy) Regulations 2012.
- 2 Commencement**  
These regulations come into force on 1 April 2012.
- 3 Interpretation**  
In these regulations, unless the context otherwise requires,—  
**Act** means the Accident Compensation Act 2001  
**applicable tax year** means the 2012–13 tax year or, as the case may be, a later tax year  
**Corporation** means the Accident Compensation Corporation continued by section 259 of the Act  
**current portion**, in relation to the earners' levy, means the portion of that levy that is necessary to provide for the purposes referred to in section 218(5)(a) of the Act  
**earners' levy** means the levy payable to fund the Earners' Account under section 219(1) of the Act  
**residual portion**, in relation to the earners' levy, means the portion of that levy that is necessary to provide for the purposes referred to in section 218(5)(b) of the Act

**tax year** has the same meaning as in section YA 1 of the Income Tax Act 2007 for the purposes of furnishing a return of income under the Tax Administration Act 1994.

#### **4 Earners' levy**

- (1) The amount of the current portion of the earners' levy payable for an applicable tax year is,—
  - (a) for self-employed persons, except those described in paragraphs (b) and (c), \$1.4435 per \$100 of earnings derived, or treated as being derived, in the tax year that immediately precedes the applicable tax year:
  - (b) for self-employed persons to whom regulation 6 applies, an amount calculated in accordance with regulation 6(2):
  - (c) for self-employed persons to whom regulation 7 applies, an amount calculated in accordance with regulation 7(2):
  - (d) for other earners, \$1.4435 per \$100 of earnings for pay periods ending in the applicable tax year.
- (2) The amount of the residual portion of the earners' levy payable for an applicable tax year is,—
  - (a) for self-employed persons, except those described in paragraph (b), \$0.0348 per \$100 of earnings derived, or treated as being derived, in the tax year that immediately precedes the applicable tax year:
  - (b) for self-employed persons to whom regulation 6 applies, an amount calculated in accordance with regulation 6(3):
  - (c) for other earners, \$0.0348 per \$100 of earnings for pay periods ending in the applicable tax year.
- (3) Subclauses (1) and (2) are subject to regulation 5.

#### **5 Maximum earnings on which earners' levy payable**

- (1) The maximum amount of earnings in a tax year on which a self-employed person must pay an earners' levy is \$111,669.
- (2) The maximum amount of earnings in a tax year on which any other earner must pay an earners' levy is \$113,768.

**6 Self-employed person: works more than 30 hours per week and earns less than specified amount**

- (1) This regulation applies to a self-employed person who, in the tax year that immediately precedes the applicable tax year,—
- (a) works for an average of more than 30 hours per week, whether or not as an employee; and
  - (b) earns less than \$27,040.
- (2) The person must pay the current portion of the earners' levy calculated using the following formula:

$$\frac{\$27,040 - \text{earnings as an employee}}{100} \times 1.4435$$

- (3) The person must also pay the residual portion of the earners' levy calculated using the following formula:

$$\frac{\$27,040 - \text{earnings as an employee}}{100} \times 0.0348$$

- (4) In the formulae in subclauses (2) and (3), **earnings as an employee** is the amount of the person's earnings as an employee in the applicable tax year.

**7 Self-employed person: purchases weekly compensation**

- (1) This regulation applies to a self-employed person who enters into an agreement with the Corporation under section 209 of the Act to purchase weekly compensation.
- (2) The person must pay the current portion of the earners' levy calculated using the following formula:

$$\frac{1.4435 \times 1.25 \times a}{100}$$

where—

- a is the agreed level of weekly compensation purchased by the self-employed person under section 209 of the Act adjusted to an annual figure.

**8 Levies exclusive of GST**

The amounts of earners' levies payable under regulation 4 are exclusive of goods and services tax.

**9 Amount of levies exempt from payment**

For the purposes of section 244 of the Act, the relevant exempt amount for any invoice that is issued to a self-employed person for the purposes of the Act and that includes the earners' levy is set at \$40.

**10 Revocation and saving**

- (1) The Accident Compensation (Earners' Levy) Regulations 2011 (SR 2011/20) are revoked.
- (2) Despite subclause (1), the Accident Compensation (Earners' Levy) Regulations 2011 continue to apply to the period starting on 1 April 2011 and ending with the close of 31 March 2012 as if they had not been revoked.

Michael Webster,  
for Clerk of the Executive Council.

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**Explanatory note**

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations, which come into force on 1 April 2012, revoke and replace the Accident Compensation (Earners' Levy) Regulations 2011 (the **2011 regulations**).

The main differences between these regulations and the 2011 regulations are as follows:

- the maximum amount of earnings in a tax year of a self-employed person on which the earners' levy is payable has increased from \$110,018 to \$111,669;
- the maximum amount of earnings in a tax year of other earners on which the earners' levy is payable has increased from \$111,669 to \$113,768;
- the minimum amount of earnings on which an earners' levy is payable by a self-employed person who works, on average,

for more than 30 hours per week (whether as an employee or not) has increased from \$26,520 to \$27,040.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 23 February 2012.

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## **Notes**

### **1 *General***

This is a reprint of the Accident Compensation (Earners' Levy) Regulations 2012. The reprint incorporates all the amendments to the regulations as at 1 April 2013, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that contain transitional, savings, or application provisions that cannot be compiled in the reprint are also included, after the principal enactment, in chronological order. For more information, *see* <http://www.pco.parliament.govt.nz/reprints/>.

### **2 *Status of reprints***

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

### **3 *How reprints are prepared***

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked

are omitted. For a detailed list of the editorial conventions, see <http://www.pco.parliament.govt.nz/editorial-conventions/> or Part 8 of the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

#### **4 Changes made under section 17C of the Acts and Regulations Publication Act 1989**

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
  - indentation
  - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)



- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
  - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
  - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

**5** *List of amendments incorporated in this reprint  
(most recent first)*

Accident Compensation (Earners' Levy) Regulations 2013 (SR 2013/15): regulation 10(1)

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