

Reprint
as at 1 July 2021



Social Security (Support for Children in Hardship— Transitional Subsidy) Regulations 2016

(LI 2016/52)

Social Security (Support for Children in Hardship—Transitional Subsidy) Regulations 2016:
revoked, on the close of 30 June 2021, by regulation 4.

Jerry Mateparae, Governor-General

Order in Council

At Wellington this 7th day of March 2016

Present:

His Excellency the Governor-General in Council

These regulations are made under clause 21(3) of Schedule 32 of the Social Security Act 1964 on the advice and with the consent of the Executive Council.

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Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.
Note 4 at the end of this reprint provides a list of the amendments incorporated.

These regulations are administered by the Ministry of Social Development.

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Regulations

- 1 Title**
These regulations are the Social Security (Support for Children in Hardship—
Transitional Subsidy) Regulations 2016.
- 2 Commencement**
These regulations come into force on 1 April 2016.
- 3 Application**
These regulations have effect on and after 28 March 2016.
- 4 Revocation**
These regulations are revoked on the close of 30 June 2021.
- 5 Interpretation**
(1) In these regulations, unless the context otherwise requires,—

2011 Act means the Taxation (Annual Rates and Budget Measures) Act 2011 as amended on 10 December 2015 by sections 2(2) and 6 to 10 of the Taxation (Support for Children in Hardship) Act 2015

Act means the Social Security Act 1964

change of circumstances, in relation to a person and the person's spouse or partner (if any),—

- (a) includes, without limitation, the person, or the person's spouse or partner, having one or both of the following:
 - (i) a new or additional dependent child that would or might confer eligibility for a new kind, or for a higher rate, of specified payment; and
 - (ii) a dependent child attain an older age that would or might confer eligibility for a higher rate of specified payment; and
- (b) excludes, without limitation,—
 - (i) a CPI increase to the rate of a specified payment, or to the rate of New Zealand superannuation or a veteran's pension payable to the person's spouse or partner;
 - (ii) a specified payment expiring and being re-granted at the same rate

CPI increase means an increase to the rate or rates of all or any specified payments, New Zealand superannuation, or a veteran's pension, and that is made—

- (a) to reflect specified movements in the consumers price index; and
- (b) by any order, regulations, or other instrument made under—
 - (i) the Act; or
 - (ii) section 645(6) of the Education and Training Act 2020; or
 - (iii) section MF 7(1)(a) and (2) of the Income Tax Act 2007; or
 - (iv) section 15 of the New Zealand Superannuation and Retirement Income Act 2001; or
 - (v) section 265(1)(29) (on regulations for the purposes of section 170) of the Veterans' Support Act 2014

net specified payments, in relation to a person, means the person's total specified payments (including those of a spouse or partner of the person) after the deduction of any income tax

specified amendments means all or any amendments made by the following:

- (a) Social Security Amendment Act (No 2) 2015;
- (b) Education Amendment Act (No 2) 2015;
- (c) Taxation (Support for Children in Hardship) Act 2015;
- (d) all or any specified related regulations or other instruments

specified payments means all or any of the following benefits or payments:

- (a) a main benefit under this Act (as that term is defined in section 3(1) of the Act):
- (b) an accommodation supplement under section 61EA of the Act:
- (c) childcare assistance under section 61GA of the Act and the Social Security (Childcare Assistance) Regulations 2004:
- (d) a disability allowance under section 69C of the Act:
- (e) a special benefit continued by section 23 of the Social Security (Working for Families) Amendment Act 2004:
- (f) temporary additional support under section 61G of the Act and the Social Security (Temporary Additional Support) Regulations 2005:
- (g) special assistance (except any available for a single occasion only) under a welfare programme established and approved under section 124(1)(d) of the Act:
- (h) a student allowance:
- (i) a specified tax credit

specified related regulations or other instruments means the following:

- (a) regulation 4 of the Health Entitlement Cards Amendment Regulations 2016, but only to the extent that it increases by \$650 all or any of the threshold appropriate amounts of family credit income specified in regulation 8(6)(a) to (e) of the Health Entitlement Cards Regulations 1993:
- (b) Social Security (Childcare Assistance) Amendment Regulations 2016:
- (c) Social Security (Effect of Absence of Beneficiary from New Zealand) Amendment Regulations 2016:
- (d) Social Security (Expiry and Re-grant of Specified Benefits) Amendment Regulations 2016:
- (e) Student Allowances Amendment Regulations 2016:
- (f) Income Tax (Minimum Family Tax Credit) Order 2015:
- (g) an instrument that on 1 April 2016 amends the Work Bonus Programme (a welfare programme established and approved under section 124(1)(d) of the Act)

specified tax credit means a credit of tax—

- (a) under Part M of the Income Tax Act 2007; and
- (b) called a child tax credit, a family tax credit, an in-work tax credit, a minimum family tax credit, a parental tax credit, or a WFF tax credit

student allowance means an allowance under regulations made under section 645 of the Education and Training Act 2020

subsidy means a transitional subsidy that may be, or has been, granted under these regulations.

- (2) Terms used and not defined in these regulations, but defined in section 3(1) of the Act or in section MA 8 of the Income Tax Act 2007, have the meanings so defined.

Regulation 5(1) **CPI increase** paragraph (b)(ii): amended, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).

Regulation 5(1) **student allowance**: amended, on 1 August 2020, by section 668 of the Education and Training Act 2020 (2020 No 38).

6 Transitional, savings, and related provisions

The transitional, savings, and related provisions (if any) set out in Schedule 1 have effect according to their terms.

Part 1 Eligibility

7 Eligibility criteria or requirements

A person is not eligible to be granted a subsidy unless—

- (a) one or both of the following subparagraphs apply to the person:
- (i) immediately before 28 March 2016, the person (including a spouse or partner of the person) was receiving, or was eligible for and had applied for, a student allowance and 1 or more other specified payments:
 - (ii) immediately before 1 April 2016, the person (including a spouse or partner of the person) was receiving, or was eligible for and had applied for, any 2 or more specified payments; and
- (b) the person is (under regulations 8 to 10) financially disadvantaged as an unintended consequence of the net effects of the specified amendments; and
- (c) a spouse or partner of the person has not been granted a subsidy for the financial disadvantage concerned.

8 Test for financial disadvantage

The person is not financially disadvantaged as a consequence of the net effects of the specified amendments in a row of the following table unless—

- (a) the person (including a spouse or partner of the person) is receiving, or is eligible for and has applied for, specified payments of the kind in one or both of subparagraphs (i) and (ii) of regulation 7(a); and
- (b) the net specified payments of that kind per week are, at the assessment time (immediately after the commencement) in that row, and as a consequence of all or any of those amendments, reduced by more than the

amount by which they were increased by all or any of those amendments:

Row	Amendments	Assessment time (immediately after)
1	The specified amendments made on 28 March 2016 to the rates of a student allowance	The commencement on 28 March 2016 of those specified amendments
2	The specified amendments made on 1 April 2016 to the rates of specified payments (other than a student allowance)	The commencement on 1 April 2016 of those specified amendments
3	The specified amendments (relating to the family credit abatement) made on 1 April 2016 by sections 2(1) and 5 of the Taxation (Support for Children in Hardship) Act 2015, but only to the extent that those specified amendments increase “21.25 cents” in section MD 13(3)(a)(i) and (ii) of the Income Tax Act 2007 to “22.5 cents”	The commencement on 1 April 2016 of those specified amendments
4	The specified amendments (relating to the family credit abatement) made by sections 2(2), 6, 7, and 9 of the Taxation (Support for Children in Hardship) Act 2015, and via section 5(2) of the 2011 Act on its commencement under section 2(3) of the 2011 Act, but only to the extent that those specified amendments increase “22.5 cents” in section MD 13(3)(a)(i) and (ii) of the Income Tax Act 2007 to “23.75 cents”	The commencement under section 2(3) of the 2011 Act of those specified amendments
5	The specified amendments (relating to the family credit abatement) made by sections 2(2), 6, 7, and 9 of the Taxation (Support for Children in Hardship) Act 2015, and via section 5(3) of the 2011 Act on its commencement under section 2(4) of the 2011 Act, but only to the extent that those specified amendments increase “23.75 cents” in section MD 13(3)(a)(i) and (ii) of the Income Tax Act 2007 to “25 cents”	The commencement under section 2(4) of the 2011 Act of those specified amendments

9 Test for unintended consequence

A person’s financial disadvantage (if any, and under all or any of rows 1 to 5 of the table in regulation 8) is an unintended consequence of the net effects of the specified amendments if, and only if, that financial disadvantage—

- (a) is not an intended consequence of the net effects of the specified amendments (specified in regulation 10(a) or (b)); and
- (b) is not attributable to a change of circumstances of the person or of the person’s spouse or partner (if any).

10 Intended consequences

An intended consequence of the net effects of the specified amendments (referred to in regulation 9(a)) is any of the following consequences:

- (a) any increases to a person's costs of childcare, costs of employment, or travel costs for employment (whether or not the Act requires the person to reapply for sole parent support) that are increases resulting from changes the Social Security Amendment Act (No 2) 2015 made to all or any of the following:
 - (i) in section 3(1) of the Act, the definition of part-time work; or
 - (ii) in all or any of the following provisions, references to the age of a person's youngest dependent child at which work test obligations apply to the person:
 - (A) section 3(1) of the Act, the definitions of part-time work-tested beneficiary, work-tested sole parent support beneficiary, and work-tested spouse or partner;
 - (B) sections 60GAE, 60Q, 61A, and 116B of the Act;
- (b) any reduction in a person's rate of, or removal of a person's eligibility for, a specified tax credit as a result of an increase to the family credit abatement made by all or any of the following:
 - (i) the specified amendments stated, but only to the extent stated, in row 3 of the table in regulation 8:
 - (ii) the specified amendments stated, but only to the extent stated, in row 4 of the table in regulation 8:
 - (iii) the specified amendments stated, but only to the extent stated, in row 5 of the table in regulation 8.

Part 2

Application, investigation, and grant

11 Application, investigation, and grant

- (1) The chief executive may grant a person a subsidy if—
 - (a) an application for a subsidy is made, by or on behalf of the person, to the chief executive or to an employee of the department; and
 - (b) the person supplies, within the reasonable time specified, any supporting evidence reasonably required under this regulation; and
 - (c) the chief executive is satisfied, after investigating the person's claim for a subsidy, that the person is eligible to be granted a subsidy.
- (2) The application must be made by completing a form provided by the department for the purpose.

- (3) The person must also supply, within a reasonable time specified by the chief executive, any supporting evidence reasonably required by the chief executive.
- (4) The application lapses if the supporting evidence reasonably required is not supplied within the reasonable time specified.
- (5) A person's claim or eligibility for a subsidy must be investigated, and if a subsidy is granted to the person it must be granted, following or using the procedures or powers (which apply as if the subsidy were a benefit, and with all other necessary modifications) in section 12(1), (1A), and (3) of the Act.
- (6) This regulation is subject to regulation 12.

12 Grant without application

The chief executive may grant a subsidy to a person if—

- (a) no application for a subsidy has been made by or on behalf of the person; and
- (b) the chief executive is satisfied that the person is—
 - (i) a beneficiary, or a person in receipt of a student allowance; and
 - (ii) eligible to be granted a subsidy.

Part 3

Amount, period, payments, and review

13 Amount

The amount of a subsidy is the amount of the person's financial disadvantage (under all or any of rows 1 to 5 of the table in regulation 8).

14 Recalculation

If a person's net specified payments (including those of a spouse or partner of the person) include childcare assistance under section 61GA of the Act and the Social Security (Childcare Assistance) Regulations 2004, the amount of a subsidy granted to the person must be recalculated taking into account any applicable increase on 4 April 2016 of childcare assistance.

15 Commencement of subsidy

A subsidy commences on the later of the following dates:

- (a) the date the person became eligible to be granted it;
- (b) if an application for it is made more than 28 days after the date the person became eligible to be granted it, the date of that application.

16 Period of grant, and re-grant

- (1) A subsidy granted in a year is granted for a period—
 - (a) not exceeding 12 months; and

- (b) ending on the next 31 March (whether in that year or the next).
- (2) This regulation is subject to a subsidy not being payable under regulation 18, and to a subsidy ending under regulation 19.
- (3) A subsidy granted to a person, and that ends, may be re-granted under Part 2 so long as the person continues to be eligible to be granted a subsidy.

17 Payments

- (1) A subsidy is payable in respect of a 7-day week.
- (2) A subsidy is payable under subsections (1), (2), (3), (4), and (5) of section 82 of the Act (which apply as if the subsidy were a benefit, and with all other necessary modifications).
- (3) A subsidy granted to a person who is married, in a civil union, or in a de facto relationship is apportioned (between the person, and the person's spouse or partner) under section 83 of the Act (which applies as if the amount of the subsidy were a rate of benefit referred to in section 83(1) of the Act, and with all other necessary modifications).

18 Subsidy not payable if specified payments not payable

- (1) A subsidy is not payable for a period when 1 or more of the specified payments (of the person, or of the person's spouse or partner, if any) is not payable or is suspended.
- (2) However, the subsidy becomes payable again when the specified payment concerned resumes at the end of the non-payment period or suspension.

19 Ending of subsidy

A subsidy ends,—

- (a) if any of the following people die, on the date of the death, or on a date that is set by the chief executive and that is after, but is not later than the 28th day after, the date of the death:
 - (i) the person to whom it is granted;
 - (ii) the person's spouse or partner (if any);
 - (iii) if the person is a sole parent, a dependent child of the person; or
- (b) if it is payable to a sole parent, 28 days after that parent stops caring for a dependent child because of a sudden change in circumstances beyond the parent's control; or
- (c) if, and when, by reason of any other change of circumstances,—
 - (i) there is a change to the rate of any of the specified payments payable to the person or the person's spouse or partner (if any); or
 - (ii) a new specified payment becomes payable to the person or the person's spouse or partner (if any) (except a new specified payment at the same rate as one that ceases to be payable); or

- (d) if, and when, any of the specified payments (of the person or of the person's spouse or partner, if any) ends (except where a new specified payment at the same rate replaces it); or
- (e) if, and when, the person ceases to be eligible to be granted a subsidy.

20 Duty to advise of change of circumstances affecting eligibility

A person to whom a subsidy is granted must advise an employee of the department immediately of a change of circumstances that affects one or both of the following:

- (a) whether the person is eligible to be granted a subsidy;
- (b) whether (and, if so, when) a subsidy ends.

21 Review of subsidy granted

A subsidy granted may be reviewed by the chief executive under section 81 of the Act (which applies as if the subsidy were a benefit, and with all other necessary modifications).

Schedule 1

Transitional, savings, and related provisions

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Part 1

Provisions relating to these regulations as made

There are no transitional, savings, or related provisions relating to these regulations as made.

Michael Webster,
Clerk of the Executive Council.

Reprints notes

1 *General*

This is a reprint of the Social Security (Support for Children in Hardship—Transitional Subsidy) Regulations 2016 that incorporates all the amendments to those regulations as at the date of the last amendment to them.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

Education and Training Act 2020 (2020 No 38): section 668

Social Security (Support for Children in Hardship—Transitional Subsidy) Regulations 2016 (LI 2016/52): regulation 4