

Title	Explain taxation and other deductions relating to personal income		
Level	2	Credits	2

Purpose	People credited with this unit standard are able to explain taxation and other deductions relating to personal income.
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Classification	Core Generic > Financial Capability
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Available grade	Achieved
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Guidance Information

Legislation:

KiwiSaver Act 2006

Income Tax Act 2007

Employment Relations Act 2000

Holidays Act 2003

Parental Leave and Employment Protection Act 1987

Injury Prevention, Rehabilitation, and Compensation Act 2001

Minimum Wage Act 1983

Wages Protection Act 1983

Student Loan Scheme Act 2011;

and all subsequent amendments and replacements.

Definition

Attachment orders tell an employer or Work and Income to transfer money from a debtor's wages or benefit to pay fines or pay off a debt.

Outcomes and performance criteria

Outcome 1

Explain taxation and other deductions relating to personal income.

Performance criteria

1.1 Taxation is explained in terms of links with different sources of personal income.

Range sources of personal income include – salary or wages; and two of: interest, superannuation, government financial support, commission, royalties, dividends, contract work, rent, board; taxation includes two of: Pay As You Earn (PAYE), Resident Withholding Tax (RWT), Provisional Tax, Terminal Tax.

1.2 Tax codes are identified in terms of the sources of personal income.

Range M and two other tax codes.

1.3 Other deductions are explained in relation to personal income.

Range other deductions may include – KiwiSaver deductions, student loan repayments, union or association fees, attachment orders. (evidence of three is required)

Planned review date	31 December 2025
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	19 June 2008	31 December 2015
Review	2	12 December 2013	31 December 2018
Review	3	21 July 2016	31 December 2022
Review	4	31 December 2020	

Consent and Moderation Requirements (CMR) reference	0226
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This CMR can be accessed at <https://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact NZQA National Qualifications Services nqs@nzqa.govt.nz if you wish to suggest changes to the content of this unit standard.