

Experiences applying for Working for Families tax credits

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Introduction

We asked respondents to the New Zealand Income Support Survey some questions about their **experiences applying for Working for Families (WFF) tax credits** over the past year, including in cases where people were moving off a main benefit, as well as some questions about the family tax credit specifically.

Working for Families tax credits include:

- the family tax credit
- the minimum family tax credit
- the in-work tax credit
- Best Start.

The survey included people aged 18 to 64 on incomes that could potentially qualify them for income support payments such as the Accommodation Supplement and WFF and excluded full-time students.

1,852 people from across the country responded to the survey between June and December 2022, of which 1,018 people were in families with children and were asked some of the questions we analyse in this findings pack.

In the survey, we also asked potentially eligible people more in-depth questions focusing on the family tax credit and in-work tax credit that are covered in separate findings packs available as part of the findings published alongside this pack.

Approach to reporting results

Weighting

Results are weighted to be representative of the New Zealand population of working-age families on low- and middle-incomes.

Reporting of results

Some results are marked with a hash (#). Results with a hash should be reported with additional context in text (for example: "52 (± 15) percent respondents said..."). This is because these results have high margins of error and/or high relative sampling errors, and so should be used with care.

For more information about how this is determined, please read the methodology report. For confidence intervals, see the supporting excel tables.

Sub-group comparisons

Sub-group level comparisons are only reported when there are at least 300 respondents included in the total analysis and there are enough sub-groups where it is viable to produce the comparison. Two forms of sub-group comparison are commented on:

- comparison to the overall survey result (for example, comparing the result for respondents aged 18 to 24 against the overall survey result)
- comparison with other sub-groups in the same breakdown (for example, comparing the result for respondents aged 18 to 24 to the results for other age groups).

Differences that are statistically significant at the 95 percent confidence level using confidence intervals are commented on.

Differences compared to other sub-groups in the same breakdown are generally only commented on if they have not already been mentioned in comparison with the survey average.

On occasion, differences that are not statistically significant using confidence intervals but display interesting trends that may be of interest to readers are commented on.

Rounding of percentages and weighted figures

Due to rounding, percentages may not add up to 100 percent, and weighted figures may not add up to weighted totals.

Aggregation and suppression of sub-groups and categories

Where sub-group and/or category counts are small and/or have large confidence intervals and/or relative sampling errors, these are sometimes aggregated together, or suppressed and not displayed in graphs.

Reporting of ethnicity

A respondent can identify with more than one ethnicity. This results in totals for ethnic breakdowns adding up to more than 100 percent of respondents. Statistical testing for differences between ethnic sub-groups compares those in a selected ethnic group with those not in the group (including respondents who did not provide an ethnicity).

Reporting of gender

Respondents were asked about their gender, with the possible responses being male, female, another gender, don't know, or prefer not to say. In the reporting of results, we only report gender sub-group results for respondents who identified as male or female due to the small number of respondents who responded otherwise. This is to protect confidentiality.

Treatment of verbatim responses

For some questions, respondents were able to provide verbatim answers. Where appropriate, these have been recoded into existing categories, or into new categories.

Coding of scale responses

For survey responses where respondents were asked to rate their experience from 0 to 10, these are coded as:

- 0 to 3: Negative experience
- 4 to 6: Neutral experience
- 7 to 10: Positive experience.

For survey responses where respondents were asked to rate their experience from 1 to 5, these are coded as:

- 1 or 2: Very difficult or difficult
- 3: Neither difficult nor easy
- 4 or 5: Very easy or easy.

Experiences applying for Working for Families tax credits

What did we ask respondents?

People were asked about their experiences applying for Working for Families:

- Looking at the Showcard, have you applied or reapplied for any of these Working for Families tax credits from Inland Revenue in the last 12 months: family tax credit, minimum family tax credit, in-work tax credit, Best Start.

If so:

- Thinking about the last time you applied or reapplied for these tax credits, on a scale from 0 to 10, where 0 is not at all positive, and 10 is completely positive, how was your experience?

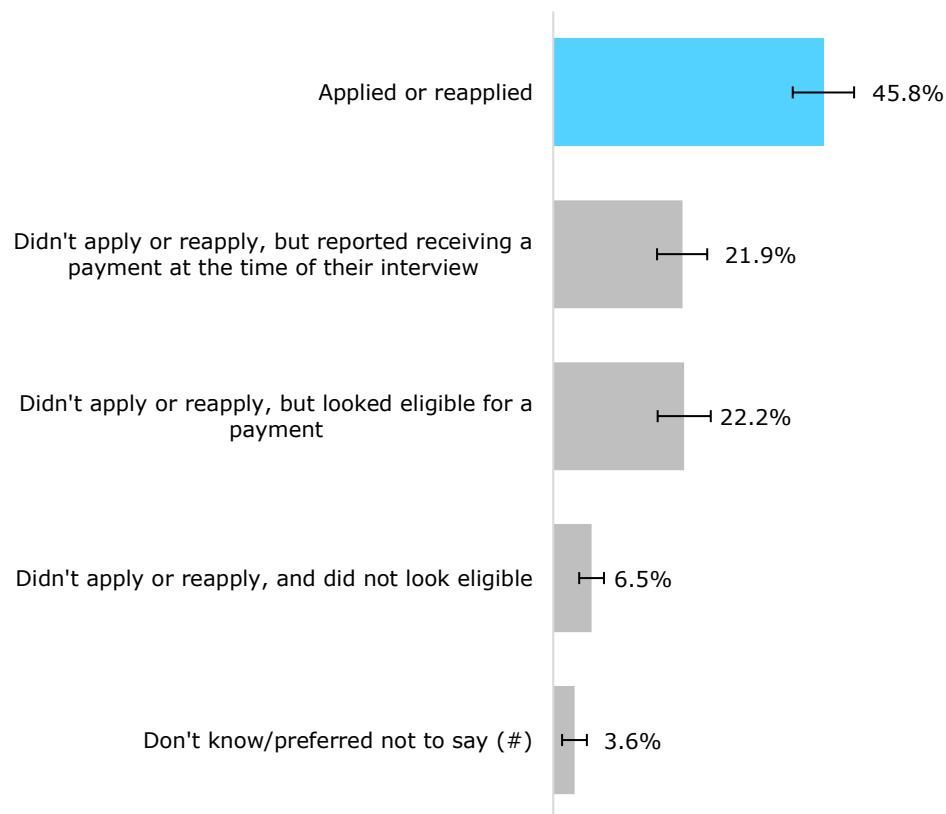
Just under half of the respondents with children applied or reapplied for Working for Families from Inland Revenue in the last 12 months

45.8 percent of respondents said they had **applied or reapplied** for Working for Families from Inland Revenue in the last 12 months.

50.6 percent said they **did not apply or reapply** in the last 12 months. Of this group:

- 21.9 percent said they were still receiving a payment
- 22.2 percent looked eligible for a payment
- 6.5 percent did not look eligible for Working for Families payments.

3.6 (± 2.1) percent didn't know or preferred not to say.



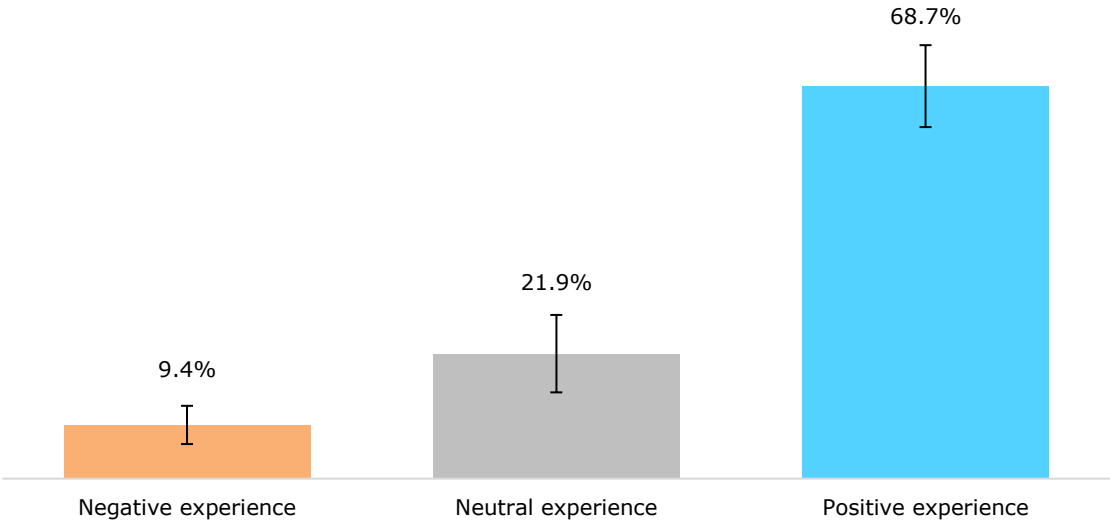
Note: Total respondents = 1,018, total weighted respondents = 479,897.

Most respondents who had applied or reapplied for Working for Families from Inland Revenue in the last 12 months had a positive experience

68.7 percent of respondents who provided an experience rating said they had a **positive experience** when they last applied or reapplied for Working for Families from Inland Revenue in the last 12 months.

21.9 percent had a **neutral experience**.

9.4 percent had a **negative experience**.



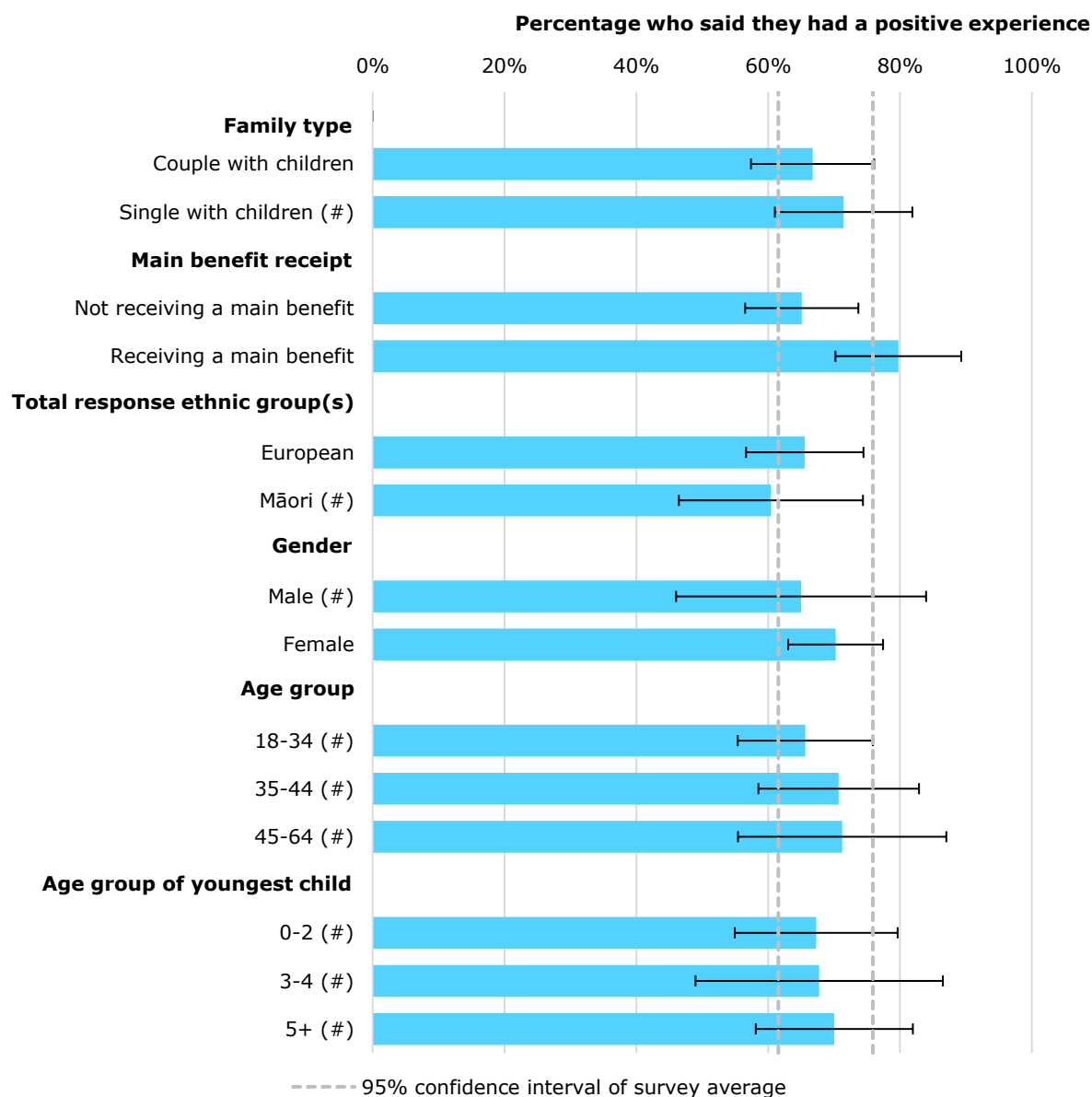
Note 1: Total respondents = 439, total weighted respondents = 215,342.

Note 2: Fifteen respondents who did not provide an experience rating are not included within calculations for this graph or the graph on the following page.

There were no statistically significant differences in the proportion of respondents who reported a positive experience across sub-groups

The proportion of respondents who reported a positive experience when applying or reapplying for Working for Families in the last 12 months ranged between 60 and 80 percent depending on sub-group.

While no statistically significant differences were found, respondents who were receiving a main benefit seemed marginally more likely to report having a positive experience. Respondents who identified as Māori were marginally less likely to report having a positive experience.



Experiences applying for Working for Families following a transition off a main benefit

What did we ask respondents?

People were asked the following questions about their experiences applying for Working for Families following a transition off a main benefit:

- Have you stopped receiving a main benefit and moved into work in the last 12 months?

If so:

- When you moved into work, did you apply for, or continue to receive, a Working for Families tax credit?

If so:

- On a scale of 1 to 5, where 1 is very difficult, and 5 is very easy, how did you find applying for, or continuing to receive, your Working for Families tax credit at that time?

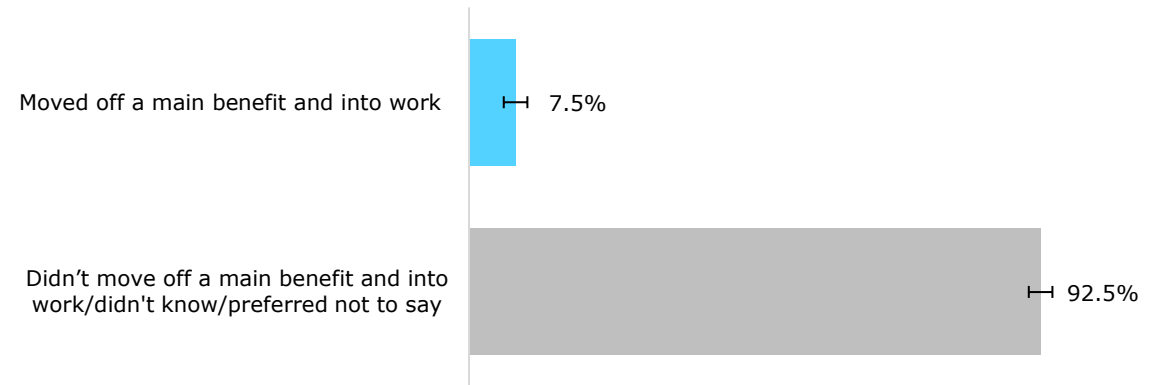
These questions were asked of all survey respondents that responded on behalf of themselves (regardless of whether they had children). This is due to the fluidity in family situations; for example, to allow us to capture responses from families that received Working for Families in the past, but no longer do, either due to a child's age, or other changes in care arrangements.

These questions were not asked to 38 respondents. Of those, 23 respondents were not asked as they were answering on behalf of another person. The remaining 15 were not asked due to a technical issue that impacted their interviews.

A small proportion of respondents moved off a main benefit and into work in the last 12 months

7.5 percent of respondents **moved off a main benefit and into work** in the last 12 months.

92.5 percent did not or answered that they didn't know or preferred not to say.



Note: Total respondents = 1,814, total weighted respondents = 1,158,679.

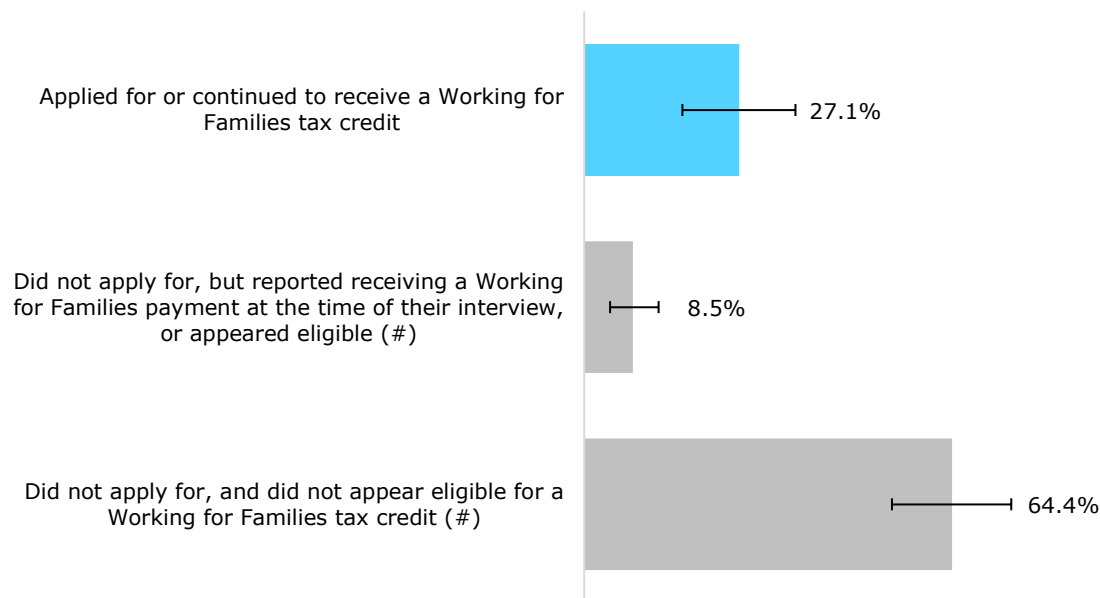
Around a quarter of respondents who had moved off a main benefit and into work within the last 12 months said they applied for or continued to receive a Working for Families payment

27.1 percent of respondents who had moved off a main benefit and into work within the previous 12 months said that they either **applied for or continued to receive** a Working for Families payment.

8.5 percent said they did not receive a payment when they moved off benefit, but either:

- **reported receiving a payment** at the time of their interview (suggesting they applied at a future time)
- **appeared eligible for a payment** (despite not reporting receiving a payment).

64.4 (± 10.5) percent did not apply for or continue to receive a payment, and **did not appear eligible**.



Note 1: Total respondents = 148, total weighted respondents = 87,273.

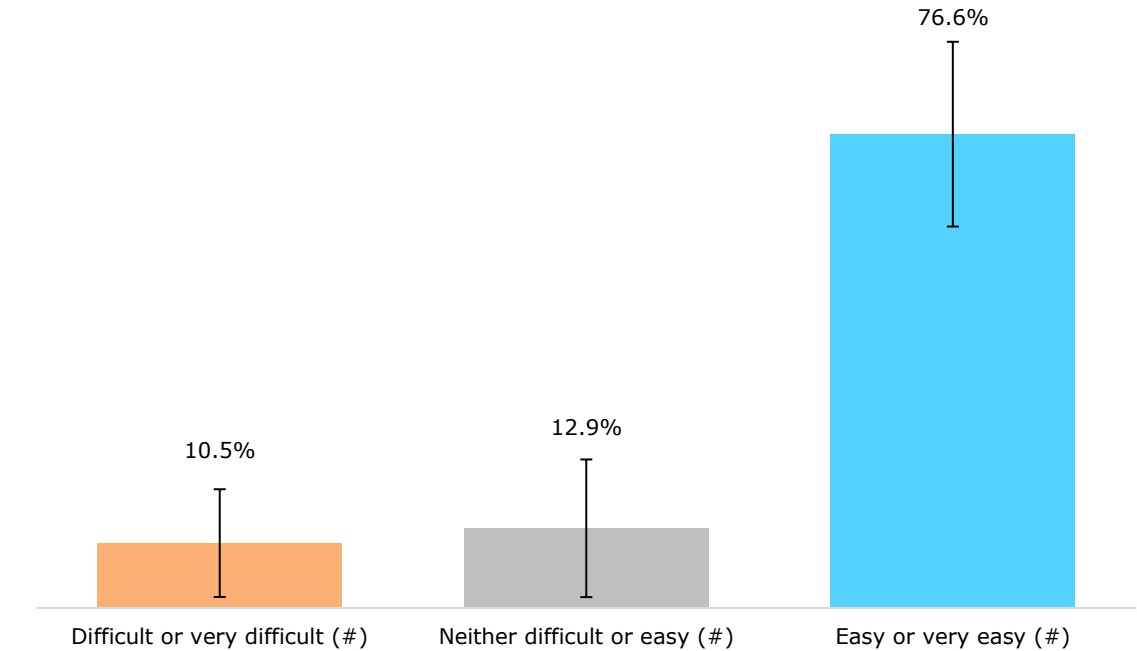
Note 2: Respondents who replied "don't know" or "prefer not to say" are included in the counts for the "did not apply for" categories.

Most respondents who had moved off a main benefit into work in the past 12 months, and applied for or continued to receive a Working for Families payment, found the process easy or very easy

76.6 (± 14.9) percent of respondents who had moved off a main benefit into work in the past 12 months, and applied for or continued to receive a Working for Families payment, **found the process easy or very easy.**

12.9 (± 11.1) percent found the process **neither difficult or easy.**

10.5 (±8.7) percent found the process **difficult or very difficult.**



Note 1: Total respondents = 55, total weighted respondents = 22,858.

Note 2: One respondent who did not provide an experience rating is not included within calculations for this graph.

Experiences applying for the family tax credit for respondents with children who were aware of the payment and met the income criteria

What did we ask respondents?

People with children who were aware of the family tax credit and met the income criteria, were asked the following questions about their experiences applying for the payment:

- Have you applied or reapplied for family tax credit in the last 12 months (either for weekly or fortnightly payments, or a lump sum)?

If so:

- Did you apply or reapply through Work and Income or Inland Revenue?
- How did you apply / reapply?
- On a scale of 1 to 5, where 1 is very difficult, and 5 is very easy, how did you find applying / reapplying (for family tax credit in the last 12 months)?
- Why did you give that response?
- What were the three most helpful sources of information or advice for you (when applying for the family tax credit in the last 12 months)?

For respondents who were aware of the family tax credit and met the income criteria, just over 44 percent applied or reapplied for the payment in the last 12 months

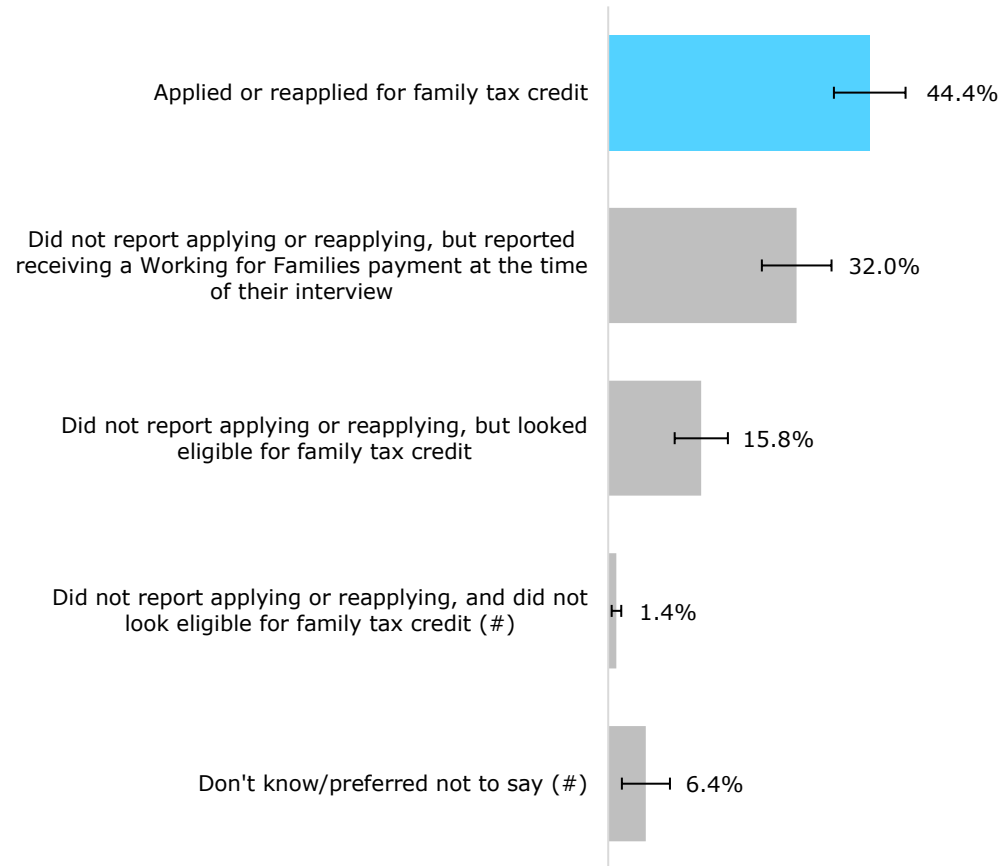
44.4 percent of respondents with children who were aware of the family tax credit, and met the income criteria, **applied or reapplied** for the payment in the last 12 months.

32 percent said they **did not apply or reapply** in the last 12 months, but said they were receiving a Working for Families payment at the time of their interview.

1.4 (± 0.8) percent didn't report applying or reapplying and **did not look eligible**.

15.8 percent said they **did not apply or reapply, but looked eligible** for the payment.

6.4 (± 4.1) percent didn't know or preferred not to say.



Note: Total respondents = 681, total weighted respondents = 310,581.

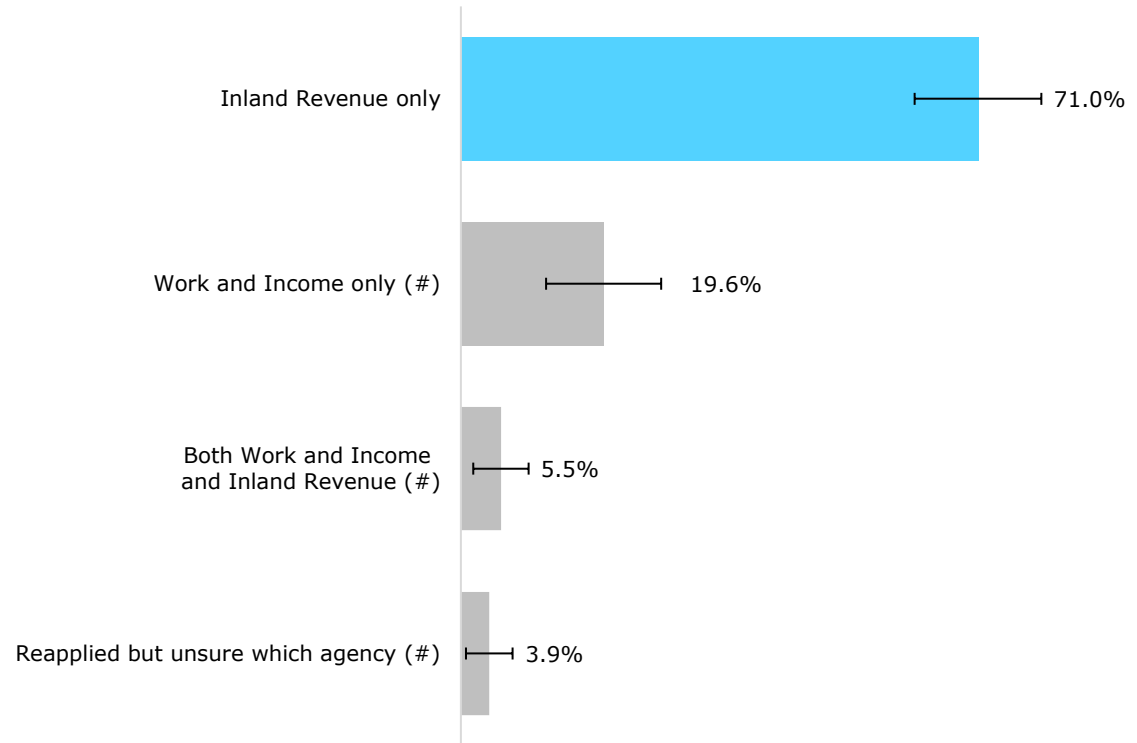
Most respondents applied or reapplied through Inland Revenue only

71.0 percent of respondents with children who had applied or reapplied for the family tax credit in the last 12 months, did so through **Inland Revenue only**.

19.6 (± 7.9) percent applied or reapplied through Work and Income only.

5.5 (± 3.8) percent applied or reapplied through both agencies.

A small proportion of respondents (3.9 \pm 3.2 percent) were not sure which agency they applied or reapplied through.



Note: Total respondents = 307, total weighted respondents = 137,766

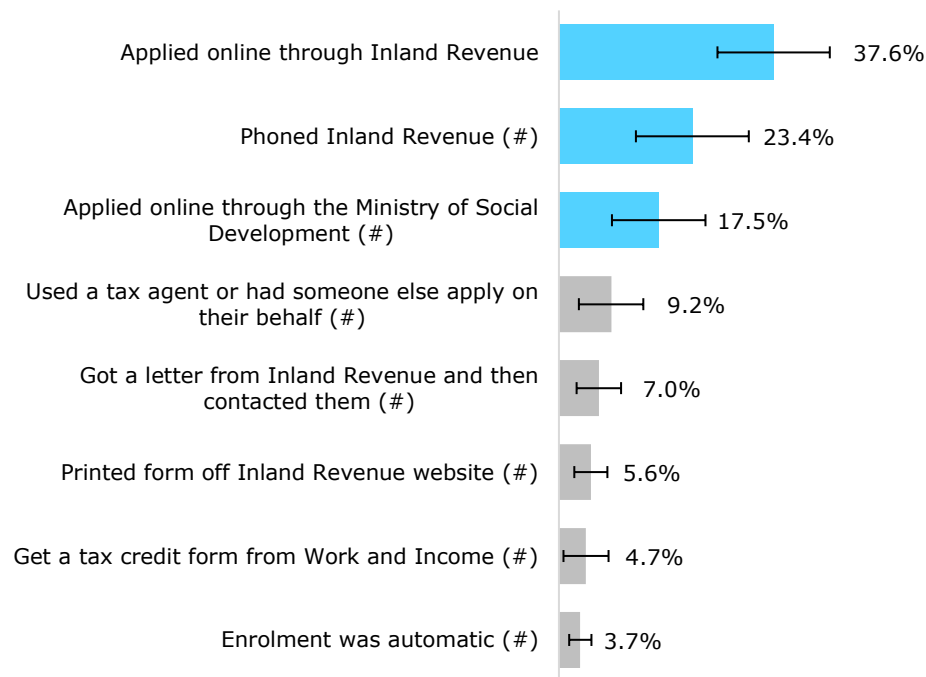
Common ways of applying or reapplying for the family tax credit included online (either through Inland Revenue or the Ministry of Social Development) or phoning Inland Revenue

The most common ways respondents with children applied or reapplied for the family tax credit were by:

- applying online through Inland Revenue (37.6 percent)
- phoning Inland Revenue (23.4 ± 9.9 percent)
- applying online through the Ministry of Social Development (17.5 ± 8.2 percent).

Other less common ways of applying or reapplying included:

- using tax agents
- contacting Inland Revenue after receiving a letter
- printing forms off the Inland Revenue website
- receiving forms from Work and Income
- automatic enrolment processes.



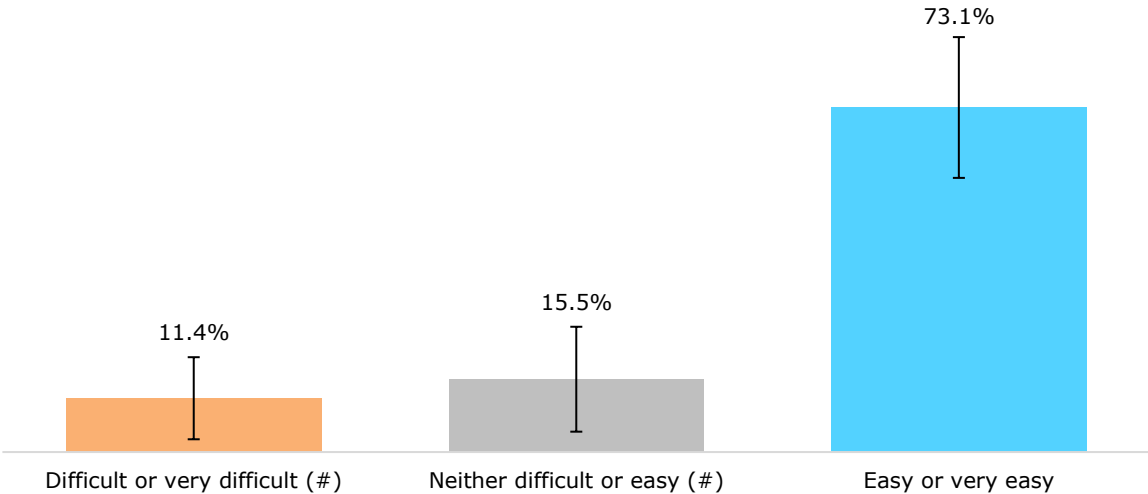
Note: Total respondents = 307, total weighted respondents = 137,766

Most respondents who either applied or reapplied for the family tax credit in the last 12 months found the process easy or very easy

73.1 percent of respondents with children who either applied or reapplied for the family tax credit in the last 12 months found the process **easy or very easy**.

15.5 (± 6.6) percent found the process **neither difficult or easy**.

11.4 (± 5.2) percent found the process **difficult or very difficult**.

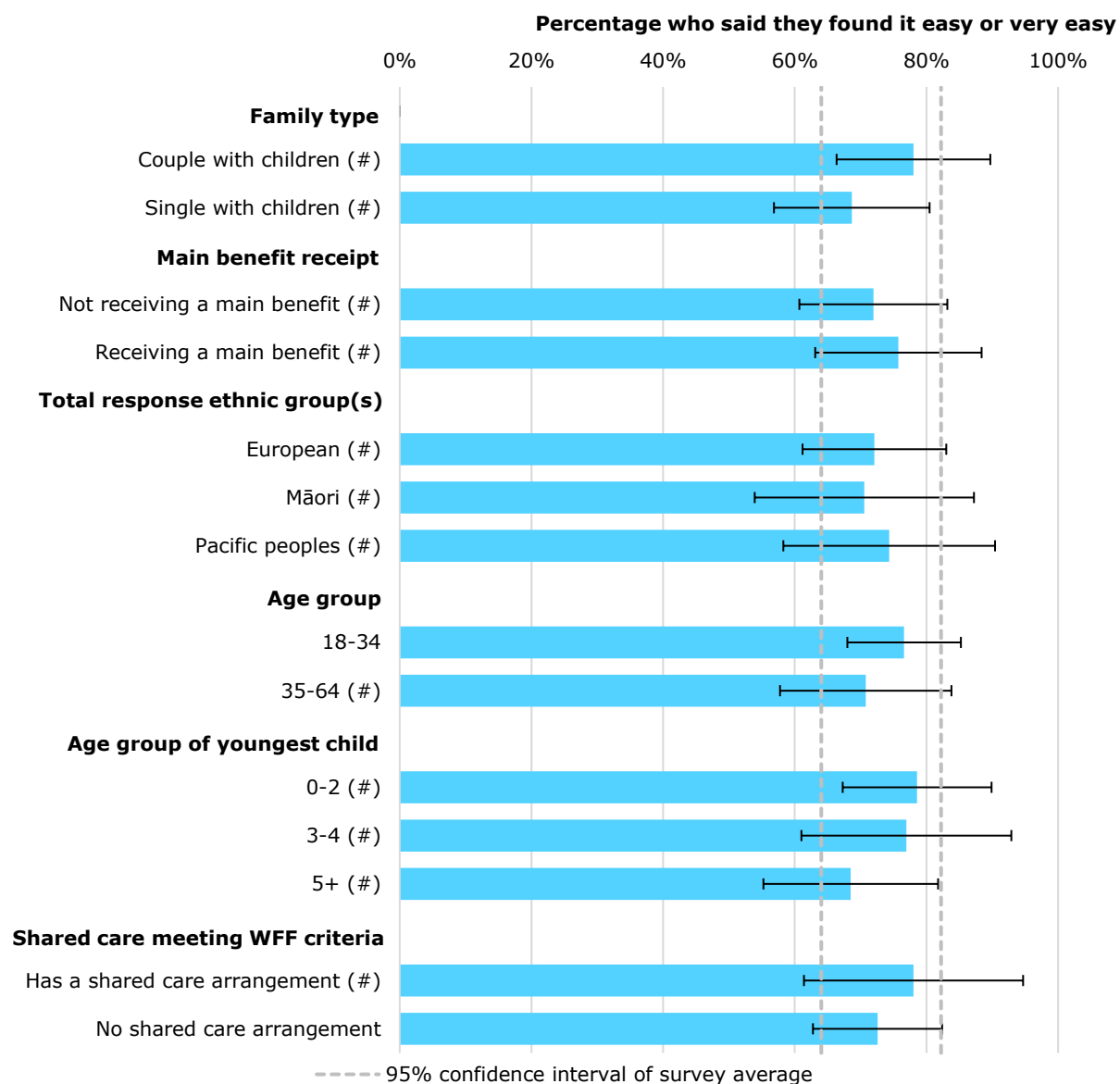


Note: Total respondents = 301, total weighted respondents = 134,443.

Note 2: Six respondents who did not provide an experience rating are not included within calculations for this graph or the graph on the following page.

There were no statistically significant differences in the proportion of respondents who reported an easy or very easy experience when applying or reapplying for the family tax credit across sub-groups

The proportion of respondents who reported an easy or very easy experience when applying or reapplying for the family tax credit ranged between 68 and 79 percent depending on sub-group. However, no statistically significant differences were found.



Respondents were given the opportunity to elaborate on their response to how they found the process of applying or reapplying for the family tax credit easy, difficult, or neither easy nor difficult. Some reported more than one reason.

Of respondents who considered their experience to be easy or very easy:

- around 1 in 3 thought that the process was easy in general.
- 1 in 8 thought the process was easy because they were able to complete the form online.
- 1 in 8 appreciated that their application got rolled over, or auto renewed.
- 1 in 15 found it easy because they said that the form was handled by Inland Revenue.
- 1 in 20 had a positive experience with a Work and Income staff member, where the staff was communicative or helpful.
- 1 in 8 rated their experience as easy/very easy, but still noted that there was room for improvement. The themes for improvement generally related to complications with the process, wait times or time it takes to get the information together/fill in the forms.

Of respondents who considered their experience to neither easy nor difficult:

- 3 in 5 said their experience was complicated, with comments stating the process is ambiguous, confusing, and hard to understand.
- 3 in 10 commented on communication, stating it was challenging. Comments ranged from not being able to get in contact, the staff could have been more helpful, or staff not confirming details back to the participants.

Of respondents who considered their experience to be difficult or very difficult:

- 2 in 3 thought that the process was very complicated, especially in terms of the use of jargon, wording of questions, the systems, personal circumstances and the information required.
- 1 in 5 were disappointed by the wait times, including how long it takes to process, to complete the application, and the amount of time they spend on hold.

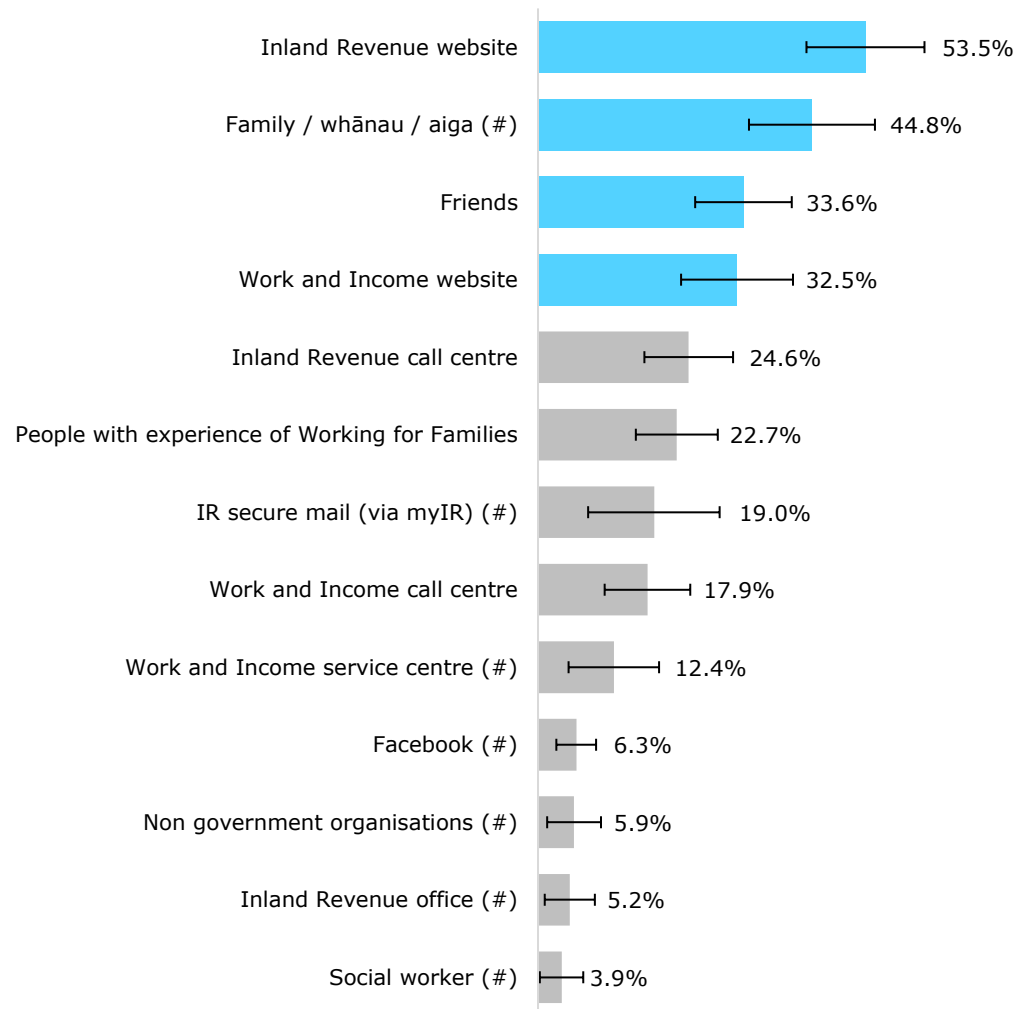
Respondents who had applied or reapplied for the family tax credit in the last 12 months reported many different sources of information or advice as helpful

53.5 percent of respondents with children who had applied or reapplied for the family tax credit in the last 12 months said that **the Inland Revenue website was one of the three most helpful sources of information or advice.**

Over a quarter of respondents said that the following sources of information or advice were among the three most helpful to them:

- Family, whānau or aiga (44.8 +/- 10.3 percent)
- Friends (33.6 percent)
- The Work and Income website (32.5 percent).

Respondents also said that many other sources of information or advice were found to be helpful.



Note: Total respondents = 280, total weighted respondents = 127,326.