

Part 8 Collection of financial support

Financial support is debt due to the Crown

128 Debt due to the Crown

Any amount of financial support payable under this Act (including any penalty or interest imposed thereon) is a debt due to the Crown.

Method in which financial support to be collected

129 Right to choose payment method

Subject to [section 130](#) and [section 131](#), any person who becomes liable to pay financial support under this Act shall be entitled to choose the method in which the money so payable is to be paid to the Commissioner.

130 Defaulters to pay child support by automatic deduction

Where any person makes default in any payment of financial support under this Act,—

- (a) [section 129](#) shall cease to apply in respect of that payment and shall not apply in respect of any further payment of financial support required to be made by that person, whether in that child support year or in any future child support year; and
- (b) that payment, and those further payments, of financial support shall be payable, unless the Commissioner considers it to be inappropriate, by way of automatic deduction under [Part 10](#).

131 Social security beneficiaries to pay financial support by automatic deduction

Where any person who is required to pay financial support under this Act is in receipt of any benefit under the [Social Security Act 1964](#) or under the [Social Welfare \(Transitional Provisions\) Act 1990](#) or [Part 6](#) of the [War Pensions Act 1954](#), or the [New Zealand Superannuation and Retirement Income Act 2001](#),—

- (a) [section 129](#) of this Act shall not apply; and
- (b) payments of financial support shall be payable by way of automatic deduction under [Part 10](#) of this Act from any instalment of any benefit to which the person is or may become entitled under that Act.

Section 131: amended, on 21 April 2005, by [section 9\(1\)](#) of the [New Zealand Superannuation and Retirement Income Amendment Act 2005](#) (2005 No 42).

Section 131: amended, on 15 April 2003, by [section 12\(1\)](#) of the [War Pensions Amendment Act 2003](#) (2003 No 18).

Section 131: amended, on 12 October 2001, by [section 77](#) of the [New Zealand Superannuation Act 2001](#) (2001 No 84).

Section 131: amended, on 1 October 1998, by [section 57](#) of the [Social Security Amendment Act 1998](#) (1998 No 19).

Due dates for payment of financial support

132 Due date for payment of financial support

(1)

Subject to subsection (2) and section 133, the amount of financial support payable by a liable person in relation to any day in any month is a debt that is due and payable on the 20th of the following month.

- (2) Subject to section 133, where in order either to comply with an order of the court or to facilitate the payment of financial support in instalments of other than monthly duration, it is necessary for the financial support payable by a liable person in relation to any day in any month to be payable on a day other than the 20th day of the following month, the Commissioner shall set that day as the day on which that financial support is due and payable as is necessary in order to either enable compliance with the order of the court or to facilitate the payment of financial support in instalments of other than monthly duration.

133 Alteration to first due date where notice of assessment issued

- (1) Where the Commissioner issues a notice of assessment of financial support payable by a liable person, the first amount of that financial support that is required to be paid by that liable person after that notice of assessment is issued is a debt that is due and payable on the later of—
- (a) the day on which that amount would, but for this section, be payable by the liable person; or
 - (b) the day that is 30 days after the date of issue of that notice of assessment.
- (2) This section does not apply in respect of an amended assessment to which the provisions of section 87(6) apply.

134 Penalty for late payment of financial support debts

- (1) Where a financial support debt remains unpaid after the time when it became due and payable, the person liable to pay the debt is liable to pay to the Commissioner, by way of penalty, as follows:
- (a) on the amount of any financial support remaining unpaid at the expiry of the due date, the greater of—
 - (i) an amount equal to 10% of the amount of financial support remaining unpaid at the expiry of the due date; or
 - (ii) the amount of \$5;
 - (b) on the amount of so much, if any, of the sum of—
 - (i) the financial support referred to in paragraph (a); and
 - (ii) the penalty imposed in accordance with the provisions of paragraph (a),
—
as remains unpaid at the expiry of the day on which there expires the period of 1 month immediately following the due date referred to in paragraph (a), an amount equal to 2% of that amount;
 - (c) on the amount of so much, if any, of the sum of—
 - (i) the financial support referred to in paragraph (a); and
 - (ii) the penalty or penalties imposed in accordance with the provisions of paragraphs (a) and (b); and
 - (iii) the penalties, if any, added thereto in accordance with the provisions of this paragraph,—
as remains unpaid at the expiry of any of the periods of 1 month that, consecutively, succeed the period of month referred to in paragraph (b), an amount equal to 2% of that amount.
- (2) An amount payable to the Commissioner under subsection (1) is a debt due to the Crown and shall, for all purposes other than for the purposes of Part 9, be deemed to be of the same nature as the amount or part thereof in respect of which it is imposed, and shall be recoverable accordingly.

Compare: 1976 No 65 s 398; 1985 No 141 s 41

Minimum rate of child support or domestic maintenance

Heading: amended, on 26 April 2005, by [section 3](#) of the Child Support Amendment Act 2005 (2005 No 6).

72 Minimum rate of child support or domestic maintenance

- (1) The minimum annual rate at which the Commissioner shall assess—
- (a) child support under a formula assessment is, in respect of all of the children for whom the parent is liable to pay child support under a formula assessment,—
 - (i) for the child support year commencing 1 April 2002, \$663;
 - (ii) for the child support year commencing 1 April 2003, \$663 adjusted by the movement in the all groups index number of the New Zealand Consumer Price Index during the 9-month period that ends with 31 December 2002;
 - (iii) for each subsequent child support year, the minimum annual child support rate under this paragraph for the immediately preceding child support year, adjusted by the applicable inflation percentage;
 - (b) child support payable by a liable parent to a qualifying custodian under 1 or more voluntary agreements providing for payments to be made in respect of 1 or more children shall be, in the aggregate, \$520 in respect of those children;
 - (c) domestic maintenance shall be \$520.
- (2) Subsection (1) applies notwithstanding anything to the contrary in any order of the court or in any voluntary agreement.

Section 72 heading: amended, on 26 April 2005, by [section 3](#) of the Child Support Amendment Act 2005 (2005 No 6).

Section 72(1)(a): substituted, on 7 November 2001, by [section 5\(1\)](#) of the Child Support Amendment Act 2001 (2001 No 90).

Section 72(1)(c): amended, on 26 April 2005, by [section 3](#) of the Child Support Amendment Act 2005 (2005 No 6).