

Income Sharing

- Giving Families a Choice

'Income Sharing could benefit up to 310,000 New Zealand families raising children by up to \$9000 a year' – Peter Dunne

What is Income Sharing?

Income Sharing allows couples with children to combine their income and split it down the middle for tax purposes, giving them more opportunity to spend time raising their children.

Who would qualify for Income Sharing?

It's very simple. Two parents – be they married, in a civil union or a de facto relationship – and with a child or children under 18.

That means about 310,000 New Zealand families could potentially benefit from Income Sharing by anything up to \$9,000 a year.

Why you might choose Income Sharing?

One of the greatest gifts you can give your children is your time and your presence, but the reality is it's often just not possible for families to make that choice.

They simply cannot afford to have one parent not working, or working reduced hours.

Income Sharing could change that for many families. It could be the 'tipping point' that allows spending more time with your children to be a viable financial choice.

Essentially, Income Sharing helps remove the financial penalty that couples face when they make that choice.

'Income Sharing is about valuing families and the choices they make for bringing up their children' – Peter Dunne



UnitedFuture

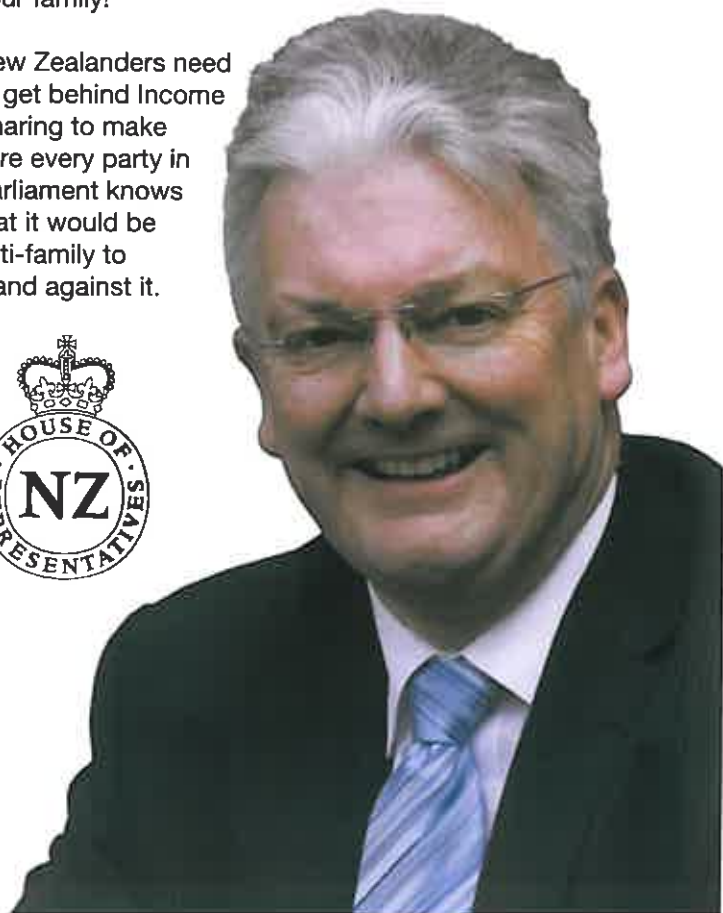
How can you help Income Sharing become law?

As Revenue Minister and the Leader of UnitedFuture, I introduced the Taxation (Income-sharing Tax Credit) Bill in Parliament in August and I took it to its First Reading in September. It is now on the way to becoming law – but it needs your support to get there!

How can you help? Tell the Government that you want Income Sharing as a choice for your family; tell your local MP, but most important of all, make a submission to the Finance and Expenditure Select Committee which will be considering Income Sharing. You can find information on the select committee process at www.parliament.govt.nz

Speak up for the New Zealand family; speak up for your family!

New Zealanders need to get behind Income Sharing to make sure every party in Parliament knows that it would be anti-family to stand against it.



'Everyone says they're family-friendly these days... this is a test of that. Income Sharing would directly benefit middle New Zealand families... Mum and Dad and the children. If we can't work to benefit them, we're in the wrong business' – Peter Dunne

Would Income Sharing be compulsory?

No. Income Sharing would be entirely voluntary. No one has to do it. You can decide if it benefits your family, if so, then that's wonderful. If it does not, then there may be other tax structures and policies that suit your family.

Is it fair to single parents raising children?

No single benefit fits everyone's circumstances. Single parents out there do a fantastic job bringing up their children, and to reflect this there are support structures in place for them – childcare subsidies, the minimum family tax credit, the childcare rebate and the domestic purposes benefit.

Income Sharing by definition requires two parents, and it is timely to support the two-parent family, of which there are about 310,000 raising children in New Zealand today.

What Income Sharing will mean for you:

		Partner B's income (\$000)							
		\$0	\$10	\$20	\$30	\$40	\$50	\$60	\$70
Partner A's income (\$000)	\$0	0	0	420	980	980	1,230	2,480	3,730
	\$10	0	0	280	280	280	530	1,780	3,030
	\$20	420	280	0	0	0	250	1,500	2,750
	\$30	980	280	0	0	0	250	1,500	2,250
	\$40	980	280	0	0	0	250	1,000	1,000
	\$50	1,230	530	250	250	250	0	0	0
	\$60	2,480	1,780	1,500	1,500	1,000	0	0	0
	\$70	3,730	3,030	2,750	2,250	1,000	0	0	0
	\$80	5,280	4,580	3,800	2,550	1,300	300	300	0
	\$90	6,830	5,630	4,100	2,850	1,600	600	300	0
	\$100	7,880	5,930	4,400	3,150	1,900	600	300	0
	\$110	8,180	6,230	4,700	3,450	1,900	600	300	0
	\$120	8,480	6,530	5,000	3,450	1,900	600	300	0
	\$130	8,780	6,830	5,000	3,450	1,900	600	300	0
\$140 +	9,080	6,830	5,000	3,450	1,900	600	300	0	

Based on the tax rates and threshold that apply from 1 October 2010.