

Vote Revenue

APPROPRIATION MINISTER(S): Minister of Revenue (M57)

APPROPRIATION ADMINISTRATOR: Inland Revenue Department

RESPONSIBLE MINISTER FOR INLAND REVENUE DEPARTMENT: Minister of Revenue

Details of Appropriations and Capital Injections

Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Investigations (M57) This appropriation is limited to undertaking investigation, audit and litigation activities administered by Inland Revenue.	173,657	(20,940)	152,717
Management of Debt and Outstanding Returns (M57) This appropriation is limited to activities to prevent returns becoming outstanding and debt becoming overdue, and to collect outstanding returns and overdue payments, whether for the Crown, other agencies or external parties.	148,301	(8,357)	139,944
Policy Advice (M57) This appropriation is limited to the provision of advice, including second opinion advice and contributions to policy advice led by other agencies, to support decision-making by Ministers on government policy matters.	9,560	(163)	9,397
Services to Inform the Public About Entitlements and Meeting Obligations (M57) This appropriation is limited to providing information and assistance to the public to make them aware of their obligations and entitlements. This also includes the provision of services to help Ministers fulfil their responsibilities to Parliament and the New Zealand public, other than policy decision-making responsibilities.	216,454	15,795	232,249
Services to Other Agencies RDA (M57) This appropriation is limited to the provision of services by Inland Revenue to other agencies, where those services are not within the scope of another departmental output expense appropriation in Vote Revenue.	3,060	2,011	5,071
Services to Process Obligations and Entitlements (M57) This appropriation is limited to both the registration, assessment and processing of tax obligations and other entitlements, including associated review and Crown accounting activities, and the collection and sharing of related information with other agencies.	114,502	(9,446)	105,056
Total Departmental Output Expenses	665,534	(21,100)	644,434
Departmental Capital Expenditure			
Inland Revenue Department - Capital Expenditure PLA (M57) This appropriation is limited to the purchase or development of assets by and for the use of the Inland Revenue Department, as authorised by section 24(1) of the Public Finance Act 1989.	221,600	(98,504)	123,096
Total Departmental Capital Expenditure	221,600	(98,504)	123,096

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Benefits or Related Expenses			
Child Support Payments PLA (M57) Child support payments to custodial persons who are not dependent on the state for financial support (expenses incurred pursuant to section 141 of the Child Support Act 1991).	291,000	(3,000)	288,000
Child Tax Credit PLA (M57) Extra assistance for low to middle income families who are not dependent on the state for financial support (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).	900	(100)	800
Family Tax Credit PLA (M57) Family Support payments made to beneficiaries and non-beneficiaries during the year (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).	1,823,000	(127,000)	1,696,000
In-Work Tax Credit PLA (M57) Extra assistance for low to middle income families where the person works a minimum of 20 hours per week and does not have a partner, or a person and their partner work a minimum of 30 hours per week (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).	561,000	(28,000)	533,000
KiwiSaver: Interest (M57) To enable the payment of interest on KiwiSaver contributions as set out in the KiwiSaver Act 2006.	12,000	(2,000)	10,000
KiwiSaver: Tax Credit (M57) To enable the payment of a tax credit to KiwiSaver members and the payment of residual tax credits to employers as set out in the Income Tax Act 2007.	798,000	34,000	832,000
Minimum Family Tax Credit PLA (M57) Extra payment made to families where at least one parent is working for salary or wages (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).	12,000	-	12,000
Paid Parental Leave Payments (M57) This appropriation is limited to Paid Parental Leave Payments made to parents in accordance with the Parental Leave and Employment Protection Act 1987.	338,000	(41,000)	297,000
Parental Tax Credit PLA (M57) This appropriation is limited to expenses incurred on parental tax credit as provided for in subpart MD of the Income Tax Act 2007 and as authorised by section 185 of the Tax Administration Act 1994.	29,000	-	29,000
Payroll Subsidy PLA (M57) This appropriation is limited to the payment of a subsidy to a payroll agent undertaking employers' payroll-related tax compliance activities on their behalf, section 185 of the Tax Administration Act 1994.	5,900	1,700	7,600
Total Benefits or Related Expenses	3,870,800	(165,400)	3,705,400

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Borrowing Expenses			
Adverse Event Interest PLA (M57) This appropriation is limited to interest on Adverse Event Income Equalisation Reserve accounts held by taxpayers in the farming and agriculture business, authorised by section 65ZH(1) of the Public Finance Act 1989.	10	-	10
Environmental Restoration Account Interest PLA (M57) This appropriation is limited to interest on Environmental Restoration accounts, authorised by section 65ZH(1) of the Public Finance Act 1989.	2,000	-	2,000
Income Equalisation Interest PLA (M57) This appropriation is limited to interest on Income Equalisation Reserve Scheme accounts held by taxpayers in the farming, fishing or forestry industries, authorised by section 65ZH(1) of the Public Finance Act 1989.	10,000	(3,000)	7,000
Total Non-Departmental Borrowing Expenses	12,010	(3,000)	9,010
Non-Departmental Other Expenses			
Impairment of Debt and Debt Write-Offs (M57) This appropriation is limited to bad debt write-offs for Crown debt administered by Inland Revenue, excluding child support and student loans and to amounts relating to the impairment of this debt.	800,000	-	800,000
Impairment of Debt Relating to Child Support (M57) This appropriation is limited to the impairment of child support debt.	-	5,000	5,000
Impairment of Debt Relating to Student Loans (M57) This appropriation is limited to the impairment of student loan debt.	100,000	(34,000)	66,000
Initial Fair Value Write-Down Relating to Student Loans (M57) This appropriation is limited to the initial fair value write-down of student loans.	676,000	(38,000)	638,000
Total Non-Departmental Other Expenses	1,576,000	(67,000)	1,509,000
Total Annual and Permanent Appropriations	6,345,944	(355,004)	5,990,940

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Departmental Other Expenses		
Transformation (M57) This appropriation is limited to the design and implementation of a modern system for tax revenue and social policy administered by Inland Revenue. Commences: 01 July 2017 Expires: 30 June 2021	Original Appropriation	1,112,607
	Adjustments to 2016/17	-
	Adjustments for 2017/18	26,254
	Adjusted Appropriation	1,138,861
	Actual to 2016/17 Year End	-
	Estimated Actual for 2017/18	220,168
	Estimated Actual for 2018/19	320,876
Estimated Appropriation Remaining	597,817	

Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual and Permanent Appropriations	6,345,944	(355,004)	5,990,940
Total MYA Departmental Other Expenses Forecasts	382,372	(162,204)	220,168
Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts	6,728,316	(517,208)	6,211,108

Capital Injection Authorisations

	2017/18		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Inland Revenue Department - Capital Injection (M57)	181,600	(123,000)	58,600

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2017/18				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	665,534	(21,100)	-	(21,100)	644,434
Benefits or Related Expenses	3,870,800	N/A	(165,400)	(165,400)	3,705,400
Borrowing Expenses	12,010	-	(3,000)	(3,000)	9,010
Other Expenses	1,958,372	(162,204)	(67,000)	(229,204)	1,729,168
Capital Expenditure	221,600	(98,504)	-	(98,504)	123,096
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	6,728,316	(281,808)	(235,400)	(517,208)	6,211,108
Crown Revenue and Capital Receipts					
Tax Revenue	70,574,000	N/A	1,619,000	1,619,000	72,193,000
Non-Tax Revenue	1,152,500	N/A	(46,000)	(46,000)	1,106,500
Capital Receipts	1,427,000	N/A	6,000	6,000	1,433,000
Total Crown Revenue and Capital Receipts	73,153,500	N/A	1,579,000	1,579,000	74,732,500

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Investigations (M57)

Scope of Appropriation

This appropriation is limited to undertaking investigation, audit and litigation activities administered by Inland Revenue.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	173,657	(20,940)	152,717
Revenue from the Crown	173,089	(20,676)	152,413
Revenue from Others	568	(264)	304

Reasons for Change in Appropriation

This appropriation decreased by \$20.940 million to \$152.717 million for 2017/18, due to:

- a fiscally neutral adjustment of \$14.720 million to other appropriations administered by Inland Revenue to reflect changes in expenditure assumptions within the 2017/18 financial year
- a transfer of \$4.494 million from 2017/18 to 2018/19 as a result of efficiencies and other savings made in the 2017/18 financial year
- a transfer of \$873,000 from 2017/18 to 2018/19 and out years to align with the timing of depreciation and other operating costs associated with shorter term investments until the Transformation programme is fully implemented
- a transfer of \$586,000 to the Department of Internal Affairs to meet cross-agency funding needs for the Service Innovation Work Programme Initiatives in 2017/18
- a fiscally neutral adjustment of \$264,000 to ensure all co-location revenue received from other departments is captured within the Services to Other Agencies appropriation, and
- the return of \$3,000 unspent capital charge as a result of returned capital funding for the implementation of the 2016 Business Tax Package to the Crown.

Management of Debt and Outstanding Returns (M57)

Scope of Appropriation

This appropriation is limited to activities to prevent returns becoming outstanding and debt becoming overdue, and to collect outstanding returns and overdue payments, whether for the Crown, other agencies or external parties.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	148,301	(8,357)	139,944
Revenue from the Crown	145,680	(7,758)	137,922
Revenue from Others	2,621	(599)	2,022

Reasons for Change in Appropriation

This appropriation decreased by \$8.357 million to \$139.944 million for 2017/18 due to:

- a transfer of \$4.448 million from 2017/18 to 2018/19 as a result of efficiencies and other savings made in the 2017/18 financial year
- a fiscally neutral adjustment of \$1.560 million to other appropriations administered by Inland Revenue to reflect changes in expenditure assumptions within the 2017/18 financial year
- a transfer of \$1.167 million from 2017/18 to 2018/19 and out years to align with the timing of depreciation and other operating costs associated with shorter term investments until the Transformation programme is fully implemented
- a fiscally neutral adjustment of \$599,000 to ensure all co-location revenue received from other departments is captured within the Services to Other Agencies appropriation
- a transfer of \$580,000 to the Department of Internal Affairs to meet cross-agency funding needs for the Service Innovation Work Programme Initiatives in 2017/18, and
- the return of \$3,000 of unspent capital charge as a result of returned capital funding for the implementation of the 2016 Business Tax Package to the Crown.

Policy Advice (M57)*Scope of Appropriation*

This appropriation is limited to the provision of advice, including second opinion advice and contributions to policy advice led by other agencies, to support decision-making by Ministers on government policy matters.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,560	(163)	9,397
Revenue from the Crown	9,537	(153)	9,384
Revenue from Others	23	(10)	13

Reasons for Change in Appropriation

This appropriation decreased by \$163,000 to \$9.397 million for 2017/18, due to:

- a transfer of \$135,000 from 2017/18 to 2018/19 as a result of efficiencies and other savings made in the 2017/18 financial year
- a transfer of \$18,000 to the Department of Internal Affairs to meet cross-agency funding needs for the Service Innovation Work Programme Initiatives in 2017/18, and
- a fiscally neutral adjustment of \$10,000 to ensure all co-location revenue received from other departments is captured within the Services to Other Agencies appropriation.

Services to Inform the Public About Entitlements and Meeting Obligations (M57)

Scope of Appropriation

This appropriation is limited to providing information and assistance to the public to make them aware of their obligations and entitlements. This also includes the provision of services to help Ministers fulfil their responsibilities to Parliament and the New Zealand public, other than policy decision-making responsibilities.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	216,454	15,795	232,249
Revenue from the Crown	214,572	16,399	230,971
Revenue from Others	1,882	(604)	1,278

Reasons for Change in Appropriation

This appropriation increased by \$15.795 million to \$232.249 million for 2017/18 due to:

- a fiscally neutral adjustment of \$21.247 million from other appropriations administered by Inland Revenue to reflect changes in expenditure assumptions within the 2017/18 financial year, and
- additional funding of \$800,000 for the implementation of the Budget 2017 Family Incomes Package initiative.

This is partially offset by:

- a transfer of \$5.641 million from 2017/18 to 2018/19 and out years to align with the timing of depreciation and other operating costs associated with shorter term investments until the Transformation programme is fully implemented
- a fiscally neutral adjustment of \$604,000 to ensure all co-location revenue received from other departments is captured within the Services to Other Agencies appropriation, and
- the return of \$7,000 unspent capital charge as a result of returned capital funding for the implementation of the 2016 Business Tax Package to the Crown.

Services to Other Agencies RDA (M57)

Scope of Appropriation

This appropriation is limited to the provision of services by Inland Revenue to other agencies, where those services are not within the scope of another departmental output expense appropriation in Vote Revenue.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,060	2,011	5,071
Revenue from the Crown	-	-	-
Revenue from Others	3,060	2,011	5,071

Reasons for Change in Appropriation

This appropriation increased by \$2.011 million to \$5.071 million for 2017/18 due to:

- a fiscally neutral adjustment of \$1.796 million to ensure all co-location revenue received from other departments is captured within the Services to Other Agencies appropriation, and
- a cost recovery of \$420,000 from The Treasury for costs incurred by the Tax Working Group.

This is partially offset by a decrease of \$205,000 in operating cost recoveries received from other agencies.

Services to Process Obligations and Entitlements (M57)

Scope of Appropriation

This appropriation is limited to both the registration, assessment and processing of tax obligations and other entitlements, including associated review and Crown accounting activities, and the collection and sharing of related information with other agencies.

Expenses and Revenue

	2017/18		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	114,502	(9,446)	105,056
Revenue from the Crown	93,368	(9,127)	84,241
Revenue from Others	21,134	(319)	20,815

Reasons for Change in Appropriation

This appropriation decreased by \$9.446 million to \$105.056 million for 2017/18 due to:

- a transfer of \$4.967 million to other appropriations administered by Inland Revenue to reflect changes in expenditure assumptions within the 2017/18 financial year
- a transfer of \$3.019 million from 2017/18 to 2018/19 and out years to align with the timing of depreciation and operating costs associated with shorter term investments until the Transformation programme is fully implemented.
- a transfer of \$2.423 million from 2017/18 to 2018/19 as a result of efficiencies and other savings in the 2017/18 financial year
- a fiscally neutral adjustment of \$319,000 to ensure all co-location revenue received from other departments is captured within the Services to Other Agencies appropriation
- a transfer of \$316,000 to the Department of Internal Affairs to meet cross-agency funding needs for the Service Innovation Work Programme Initiatives in 2017/18, and
- the return of \$2,000 unspent capital charge as a result of returned capital funding for the implementation of the 2016 Business Tax Package to the Crown.

This is partially offset by additional funding of \$1.600 million for the implementation of the Budget 2017 Family Incomes Package initiative.

2.2 - Departmental Other Expenses

Transformation (M57)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Transformation (M57) This appropriation is limited to the design and implementation of a modern system for tax revenue and social policy administered by Inland Revenue. Commences: 01 July 2017 Expires: 30 June 2021	Original Appropriation	1,112,607
	Adjustments to 2016/17	-
	Adjustments for 2017/18	26,254
	Adjusted Appropriation	1,138,861
	Actual to 2016/17 Year End	-
	Estimated Actual for 2017/18	220,168
	Estimated Actual for 2018/19	320,876
	Estimated Appropriation Remaining	597,817

Reasons for Change in Appropriation

This Transformation MYA appropriation increased by \$26.254 million to \$1,138.861 million in 2017/18 due to a transfer from the 2016/17 annual Transformation appropriation to better align with the estimated costs of the updated Transformation work programme. The forecast numbers have changed to reflect the planned release approach and timing of key support activities across the Transformation programme.

2.3 - Departmental Capital Expenditure and Capital Injections

Inland Revenue Department - Capital Expenditure PLA (M57)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Inland Revenue Department, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2017/18		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	8,000	6,000	14,000
Intangibles	213,600	(104,504)	109,096
Other	-	-	-
Total Appropriation	221,600	(98,504)	123,096

Reasons for Change in Appropriation

This appropriation decreased by \$98.504 million to \$123.096 million for 2017/18. The cost estimates for the remainder of the Transformation programme have been updated. The forecast shows that while transformation costs are expected to remain well within the approved funding envelope, the timing of some of the costs and contingencies has changed due to the planned release approach and the timing of key support activities across the programme. As a result, \$109.128 million has been re-phased to 2018/19 and out years.

This is partially offset by a \$10.624 million increase in capital expenditure to maintain and improve business infrastructure projects and leasehold improvement projects.

Capital Injections and Movements in Departmental Net Assets

Inland Revenue Department

Details of Net Asset Schedule	2017/18 Main Estimates Projections \$000	2017/18 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2017/18
Opening Balance	255,461	253,605	Supplementary Estimates opening balance reflects the audited results as at 30 June 2017.
Capital Injections	181,600	58,600	The cost estimates for the remainder of the Transformation programme have been updated. Capital injections have been adjusted to reflect the planned release approach and the timing of key support activities across the programme.
Capital Withdrawals	-	(483)	Capital withdrawal of \$483,000 for the business tax package initiative.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	437,061	311,722	

Part 3 - Details of Non-Departmental Appropriations

3.2 - Non-Departmental Benefits or Related Expenses

Child Support Payments PLA (M57)

Scope of Appropriation

Child support payments to custodial persons who are not dependent on the state for financial support (expenses incurred pursuant to section 141 of the Child Support Act 1991).

Reasons for Change in Appropriation

This appropriation decreased by \$3 million to \$288 million for 2017/18 due to lower than predicted receipts from non-custodial parents.

Child Tax Credit PLA (M57)

Scope of Appropriation

Extra assistance for low to middle income families who are not dependent on the state for financial support (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).

Reasons for Change in Appropriation

This appropriation decreased by \$100,000 to \$800,000 for 2017/18 due to slightly faster than forecast attrition. The child tax credit is an historical credit and is closed to new claims. Expenditure on the child tax credit will continue to ease, and eventually cease, as remaining recipients gradually change to the in-work tax credit or are no longer eligible.

Family Tax Credit PLA (M57)

Scope of Appropriation

Family Support payments made to beneficiaries and non-beneficiaries during the year (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).

Reasons for Change in Appropriation

This appropriation decreased by \$127 million to \$1,696 million for 2017/18 mainly due to the repeal of the Budget 2017 working for families initiatives which were to have increased payments between April and June 2018. Family income growth was stronger than expected and this also reduced entitlement.

In-Work Tax Credit PLA (M57)

Scope of Appropriation

Extra assistance for low to middle income families where the person works a minimum of 20 hours per week and does not have a partner, or a person and their partner work a minimum of 30 hours per week (expenses incurred pursuant to section 185 of the Tax Administration Act 1994).

Reasons for Change in Appropriation

This appropriation decreased by \$28 million to \$533 million for 2017/18 mainly due to stronger than expected family income growth which reduced entitlement.

KiwiSaver: Interest (M57)

Scope of Appropriation

To enable the payment of interest on KiwiSaver contributions as set out in the KiwiSaver Act 2006.

Reasons for Change in Appropriation

This appropriation decreased by \$2 million to \$10 million for 2017/18 due to lower than forecast interest rates. The estimate for KiwiSaver interest includes a level of contingency (\$2 million) as this appropriation is demand driven and does not have a permanent legislative authority.

KiwiSaver: Tax Credit (M57)

Scope of Appropriation

To enable the payment of a tax credit to KiwiSaver members and the payment of residual tax credits to employers as set out in the Income Tax Act 2007.

Reasons for Change in Appropriation

This appropriation increased by \$34 million to \$832 million for 2017/18 due to contributing membership uptake being stronger than expected. The estimate for KiwiSaver tax credit includes a level of contingency (\$10 million) as this appropriation is demand driven and does not have a permanent legislative authority.

Paid Parental Leave Payments (M57)

Scope of Appropriation

This appropriation is limited to Paid Parental Leave Payments made to parents in accordance with the Parental Leave and Employment Protection Act 1987.

Reasons for Change in Appropriation

This appropriation decreased by \$41 million to \$297 million for 2017/18 due to forecasting model improvements. The estimate for paid parental leave payments includes a level of contingency (\$10 million) as this appropriation is demand driven and does not have a permanent legislative authority.

Payroll Subsidy PLA (M57)

Scope of Appropriation

This appropriation is limited to the payment of a subsidy to a payroll agent undertaking employers' payroll-related tax compliance activities on their behalf, section 185 of the Tax Administration Act 1994.

Reasons for Change in Appropriation

This appropriation increased by \$1.700 million to \$7.600 million for 2017/18 as Budget 2017 anticipated repeal of the appropriation effective from 1 April 2018. The subsidy is now legislated to continue until April 2020.

3.3 - Non-Departmental Borrowing Expenses

Income Equalisation Interest PLA (M57)

Scope of Appropriation

This appropriation is limited to interest on Income Equalisation Reserve Scheme accounts held by taxpayers in the farming, fishing or forestry industries, authorised by section 65ZH(1) of the Public Finance Act 1989.

Reasons for Change in Appropriation

This appropriation decreased by \$3 million to \$7 million for 2017/18 as taxpayer activity in the scheme is lower than expected.

3.4 - Non-Departmental Other Expenses

Impairment of Debt Relating to Child Support (M57)

Scope of Appropriation

This appropriation is limited to the impairment of child support debt.

What is Intended to be Achieved with this Appropriation

This appropriation provides for incurring the expense involved in recognising an impairment loss to reflect the recoverable value of the total child support debt as at the end of the financial year.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under section 15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is solely for the impairment of child support debt. Performance information relating to this expenditure is provided under the Services for Customers Multi-Category Appropriation under the Management of Debt and Outstanding Returns category.

Reasons for Change in Appropriation

The appropriation increased by \$5 million to \$5 million in 2017/18 to reflect the inclusion of a contingency to prevent any unauthorised expenditure as this appropriation does not have a permanent legislative authority.

Impairment of Debt Relating to Student Loans (M57)*Scope of Appropriation*

This appropriation is limited to the impairment of student loan debt.

Reasons for Change in Appropriation

This appropriation decreased by \$34 million to \$66 million for 2017/18 following an interim valuation of the scheme completed in April 2018.

Initial Fair Value Write-Down Relating to Student Loans (M57)*Scope of Appropriation*

This appropriation is limited to the initial fair value write-down of student loans.

Reasons for Change in Appropriation

This appropriation decreased by \$38 million to \$638 million in 2017/18 mainly due to a decrease in the lending forecast as a result of the fees free policy. This was partially offset by an increase in the lending forecast as a result of the \$50 per week increase to the student loan living costs. This appropriation is largely dependent on the level of student loan lending.