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NZ DAG Meeting Minutes & Actions - 25.08.2022

Attendees	Chair - Rogan Clarke (IRD).
	Members - Chris Mar (Datacom), Edwin McLean (Reckon), Jason Langworthy (Xero), Karl Farrand (Taxlab), Kat Cavanagh (ReadyTech), Katherine Truman (SAP), Simone Dixon (ELMO Software).
	Secretary - Maggie Leese (DSPANZ)
	IRD participants - Anil Srinivasa, Cate Robertson, Carolyn Thomas, Dan Blank, Nick Wilkins, Shan Dutta.
	DSPANZ participants - Simon Foster.
Apologies	Emma Dobson (DSPANZ), Gaston Milsom (AMS), Matthew Prouse (DSPANZ), Mike Behling (MYOB), Peter Rose (IRD).

Agenda Item	Description
1	**Welcome and introductions** Rogan Clarke welcomed everyone to the meeting.
2	**Acceptance of previous minutes** The minutes from the meeting held on 23 June 2022 were taken as read and accepted.
3	**Action Item Review** Rogan provided an update on open action items: ● Annual Change 23 working group will be created from the meeting following an initial discussion on property items ● Payroll working group to be established and begin with a post implementation review of Payday filing 2.0 ● On the key engagement mechanisms, Rogan shared about the creation of Anil Srinivasa's Digital Ecosystem Strategy team which will focus on the formulation of IR's strategy for the tax ecosystem and the execution of this strategy. The team will work closely with the relationship management and policy teams. Anil shared that once the team has settled (by the next DAG meeting), he can provide more information on their 3-6 month strategy
4	**Ecosystem update** *Tax Issues Paper* Nick Wilkins provided an update on IR's discussion paper released earlier in the year. IR have now reported back to the Minister which will allow them to progress and start to align this work to specific projects. It was noted that there will be updates next year for items that are yet to be added to their policy plan.

	Digital Identity Trust Framework Martin Hooper shared an update on what is happening with the Digital Identity Trust Framework and digital identity from both the government and private sector perspective. With funding for the DTIF and the government's own digital identity products not provided in the budget, the timelines for completing the work that sits underneath the DTIF and wholesale upgrades to products have changed. DTIF legislation is expected to be passed at the end of the year and it will not come into effect until January 2024. On the other hand, the private sector is moving quickly and starting to resolve issues around digital identity themselves. Discussion about customer owned identity / self sovereign identity. Both of these movements impact IRs own authentication, authorisation and consent model work and has caused a rethink around permissions and consent. Discussion about the different ways to approach once off and longer term consents. It was acknowledged that both of these movements impact IRs own authentication and authorisation work and their consent models. Causing them to rethink some of their permissions and consent. Discussion about different ways to approach consents for example longer term and shorter term, especially when they are one off occurrences.
5	**Updates from Working Groups** *Payroll Working Group* Alice Kiefer will initiate the working group and schedule the first meeting. It was agreed that the initial priority is reviewing Payday filing. **<u>Action</u>** Alice to schedule the first payroll working group meeting within the next fortnight. *Annual Changes 23 Working Group* Dan Blank provided an update on what can be expected in the annual changes. IR will have an internal discussion on 29 August and will be prepared to discuss all of the changes in detail by the end of October. Discussion about the need to consult with DSPs early so they can provide feedback and schedule their work accordingly. In following the AC timeline, DSPs were concerned that IR had moved on with their work without consulting DSPs but also acknowledged that there may have been delays. IR confirmed they have had some internal restructuring and therefore delays to the AC work. Outside of sharing a brief update at the meeting, IR would like to make a few decisions internally about changes before fully communicating and consulting with DSPs. DSPs shared they would prefer tax tables and change books to be shared in December. This feedback should also be provided in the AC 23 working group. IR will be meeting soon to initiate this work and shared that they have dedicated staff this time around and are upskilling staff to assist with this.
6	**Annual Changes 23** Cate Robertson and Carolyn Thomas shared IR's thinking on two potential

	property-related changes to bright-line and interest limitation for DSP feedback. Discussion that more time would be needed to undertake this work properly. DSPs shared that they could work with some sample data to determine whether there are any reporting issues to begin with and then share this with IR. It was agreed that the AC 23 working group will have an immediate focus on these changes and bring in accountants and other organisations to gather their perspectives on the data collection. Edwin McLean mentioned that the group could better assist in providing innovative solutions if it had a deeper understanding of the origins of the requirements for more data. **Action** Alice Kiefer to organise the first AC 23 working group meeting with this focus. Dan briefly shared the list of remedial changes that IR is considering which they will look to confirm within the next week and then share with DSPs. **Action** Dan Blank to send out the list of remedial changes with analysis to DSPs.
7	**IR Roadmap** Discussions on IR's roadmap will continue in the next meeting.
8	**Presentations from industry members** Karl Farrand shared that members are interested in having different industry presentations in each meeting for IR to learn more from the DSP experience. Karl will take this work offline.
9	**Any other business** No other business.
10	**Next steps and meeting close** Rogan closed the meeting.

Actions

Date Raised	Description	Responsible
25.08.2022	Send out the list of remedial changes for AC 23 with analysis to DSPs.	Dan Blank
25.08.2022	Organise the first AC 23 working group meeting with a focus on the proposed property changes.	Alice Kiefer
25.08.2022	Schedule the first payroll working group meeting within the next fortnight.	Alice Kiefer
23.06.2022	IR to think about creating the annual changes 23 working group and ensuring there will be the right participation from IR.	IR members
23.06.2022	Rogan and Ian to provide an IR representation to be the operational liaison for the payroll working group.	Rogan Clarke, Ian Whitney

| 14.04.2022 | Dan Blank to have a discussion with the IR relationship team on key engagement mechanisms with DSPs. | Dan Blank |

Next meeting:

The next meeting will be held on 3 November at 2pm NZDT / 12pm AEDT. Any changes to the date and time will be communicated through the Slack channel and email.