Inland Revenue
Te Tari Taake

August|2026

I'm engaging a contractor, what do I need to do?

When engaging a new contractor, or renewing their status, it's essential that you confirm the person you're dealing with is authorised to act, i.e. director of the entity or authorised by the owner.
A grower or contractor who has been presented with a Certificate of Exemption (COE) can call Inland Revenue and ask to 'verify a certificate of exemption'. We will confirm either that there is a current exemption in place or no current details.
There are a few checks you can put in place:

- Verify who you're dealing with and the persons capacity and/or authority to act for the contractor.
- Ensure you know who is working on your property, don't simply rely on the contractor doing it;
- The contractor needs to give you a completed Tax rate notification for contractors (IR330C) form to confirm the schedular rate.
- You must retain the IR330C, and a copy of any Tailored Tax Rate (TTR), COE or Prescribed Withholding Rate (PWR) certificate or letter which the contractor provides.
- COEs and TTRs are reissued annually and apply from 1 April each year. If you don't get updated documents from the contractors each you, you are required to use the rate from the IR330C, or 15% if the contractor hasn't elected a lower rate in the IR330C.
- If you do not have a fully completed IR330C from the contractor, then you are required to use the no notification rate of 45 cents in the dollar.
- Ensure the payee bank account name matches the name on the invoice.