

Type of Income	Income included for calculating WFF entitlement		Example (for Kevin and Sharon)				
	Pre 31 March 2011	From 1 April 2011	Pre 31 March 2011	From 1 April 2011	Yes	No	N/A
Salary	✓	✓ No Change	\$65,000	\$65,000			
KiwiSaver	X	X Income from a Portfolio Investment Entity (PIE) to the principal caregiver or their spouse or partner is not included if the PIE is a superannuation fund or a retirement savings scheme (e.g. KiwiSaver)	\$0	\$0			
Annuity	X	✓ 50% of the amount of pension or annuity payments from life insurance policies or a superannuation fund, (excluding New Zealand Superannuation) are included as family income	\$0	\$8,500			
Portfolio Investments Entity	X	✓ PIE income is included in family income (subject to some exclusions, see above).	\$0	\$15,000			
Trustee Income	X	✓ Attributable trustee income is included as family income. Attributable trustee income is all the income for the year of a trust that hasn't been distributed as beneficiary income. It includes income from trading and investment activities.	\$0	\$45,000			
Trustee income from company controlled by the Trust	X	✓ Attributable trustee income is included as family income and is all income for the year of a trust that hasn't been distributed as beneficiary income. This includes the net income of any company controlled by the trust. A company controlled by a trust is defined as a company in which the trustees and their associates hold 50% or more of the voting interests or market value interests (if there is a market value circumstance).	\$0	\$70,000			

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	Pre 31 March 2011	From 1 April 2011	Pre 31 March 2011	From 1 April 2011	Yes	No	N/A
Charitable Trust Distributions	X	√ Attributable trustee income does not include income from a trust registered as a charitable entity under the Charities Act 2005.	\$0	\$0			
Beneficiary income	X	√ Beneficiary income is included as family income in the income year in which it is distributed.	\$0	\$15,000			
Income of dependent children	X	√ Passive income of the children is included as part of the family income if they received over \$500 a year (per child) from any of the following types of income: 1. resident passive income. This includes interest dividends, a taxable Maori Authority distribution (other than a retirement scheme contribution) and a replacement payment under a share-lending arrangement. 2. royalties 3. rent 4. beneficiary income. However, beneficiary income that is excluded in family income (e.g. income from a testamentary trust). 5. distributions from a listed PIE					
Other Payments	X	√ Other payments may need to be included as family income. These are payments from any other person or entities that are used for the family's day to day living expenses. If the total amount is more than \$5,000 for the tax year, then the total amount must be included as family income. If the total amount for the year is less than or equal to \$5,000 no adjustment is required.	\$0	\$0 (as less than \$5000)			

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	Pre 31 March 2011	From 1 April 2011	Pre 31 March 2011	From 1 April 2011	Yes	No	N/A
Fringe Benefits	X	✓ The value of any attributable fringe benefits is required to be declared by all shareholder employees if they, or their associates, hold voting interests of 50% or more in a company. If fringe benefits are received but the individual or their associates (e.g. the family trust) are not shareholder employees of the company then the fringe benefit does not need to be included in family income. The value of the fringe benefit is the tax-inclusive value of the benefit, i.e. the tax payable under the fringe benefit rules is to be added to the value of the benefit to give a tax-inclusive (gross) amount.	\$0	\$8,000			
		Total Income for Kevin and Sharon	\$65,000	\$226,500			