



Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Student Allowances Amendment Regulations (No 2) 2024

Portfolio **Social Development and Employment**

On 20 June 2024, the Cabinet Legislation Committee:

- 1 **noted** that, on 5 April 2004, Cabinet agreed that Student Allowance payments for those under 24 years of age have a net (after tax) abatement rate of 25 percent for each dollar of gross parental income over the parental income threshold [CAB Min (04) 11/9];
- 2 **noted** that, on 29 April 2024, Cabinet:
 - 2.1 agreed that the following rates of personal income tax should be applied for each dollar of income:

Rate	Lower threshold limit	Upper threshold limit
10.5%	-	\$15,600
17.5%	\$15,601	\$53,500
30%	\$53,501	\$78,100
33%	\$78,101	\$180,000
39%	\$180,001	No upper limit

- 2.2 agreed that all personal income tax threshold changes should be effective from 31 July 2024;
- 2.3 invited the Minister for Social Development and Employment to issue drafting instructions to the Parliamentary Counsel Office to draft amendments to the Student Allowances Regulations 1998 that maintain the policy settings in paragraph 1 above;

[CAB-24-MIN-0148]

- 3 **authorised** the submission of the Student Allowances Amendment Regulations (No 2) 2024 [PCO 26478/4.0] (the Amendment Regulations) to the Executive Council;

4 **noted** that the Amendment Regulations will come into force on 31 July 2024.

Tom Kelly
Committee Secretary

Present:

Hon David Seymour
Hon Simeon Brown
Hon Judith Collins KC
Hon Simon Watts
Hon Brooke van Velden
Hon Nicole McKee
Hon Andrew Bayly
Hon Scott Simpson, MP
Todd Stephenson, MP

Officials present from:

Office of the Leader of the House
Officials Committee for LEG