



Social Security (Income and Cash Assets Exemptions) Amendment Regulations (No 3) 2012

Jerry Mateparae, Governor-General

Order in Council

At Wellington this 26th day of March 2012

Present:

His Excellency the Governor-General in Council

Pursuant to sections 132 and 132AA of the Social Security Act 1964, His Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following regulations.

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Regulations

- 1 Title**

These regulations are the Social Security (Income and Cash Assets Exemptions) Amendment Regulations (No 3) 2012.
- 2 Commencement**

These regulations come into force on 30 March 2012.
- 3 Principal regulations**

These regulations amend the Social Security (Income and Cash Assets Exemptions) Regulations 2011 (the **principal regulations**).
- 4 Regulation 5 amended (Payments and amounts in respect of which exemptions have effect on and after specified dates)**
 - (1) Replace regulation 5(2)(b) with:

“(b) acquired on or after 13 September 2010 and before,—
“(i) if the person intends to use the payment to repair or rebuild any existing premises or to purchase any replacement residential premises, the expiry of 24 months starting from the day when that payment was made; or
“(ii) in any other case, the expiry of 12 months starting on the day the payment was made.”
 - (2) Replace regulation 5(4)(b) with:

“(b) acquired on or after 24 December 2010 and before,—
“(i) if the person intends to use the payment to repair or rebuild any existing premises or to purchase any replacement residential premises, the expiry of 24 months starting from the day when that payment was made; or
“(ii) in any other case, the close of 31 March 2012.”
 - (3) Replace regulation 5(6) with:

- “(6) This subclause applies to every amount of related interest derived on a payment to which subclause (5) applies,—
- “(a) if the person intends to use the payment to repair or rebuild any existing premises or to purchase any replacement residential premises, in the period of 24 months after that payment is made; or
 - “(b) in any other case, in the period of 12 months after that payment is made.
- “(7) For the purposes of subclauses (4)(b) and (6) and regulation 7(1),—
- “(a) if any payments to which subclause (3) or (5) applies are paid in instalments, or 1 or more payments are made under subclause (3) or (5), the date that the payments are made is the date on which the final instalment is paid or the last payment is made:
 - “(b) if any payments to which subclause (3) or (5) applies are paid in instalments for different purposes, or 1 or more payments are made under subclause (3) or (5) for different purposes, but in either case are part of a single compensation package, the date that the payments are made is the date on which the final instalment is paid or the last payment is made.”

5 Regulation 7 replaced (Payments declared not to be cash assets)

Replace regulation 7 with:

“7 Payments declared not to be cash assets

- “(1) On any day, any payment to which regulation 5(3) applies that was made less than 24 months before that day is not cash assets for the purpose of the Act in relation to the person to whom the payment was made.
- “(2) On any day, any payment to which regulation 5(1) or (5) applies that was made less than the specified time before that day is not cash assets for the purpose of the Act in relation to the person to whom the payment was made.
- “(3) In subclause (2), **specified time**, in relation to a person and a payment, means,—

- “(a) if the person intends to use the payment to repair or rebuild any existing premises or to purchase any replacement residential premises, 24 months; or
- “(b) in any other case, 12 months.”

Rebecca Kitteridge,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 30 March 2012, amend the Social Security (Income and Cash Assets Exemptions) Regulations 2011. The amendments—

- extend from 12 months to 24 months the period in which certain payments (and related interest derived from them) made in relation to the Canterbury earthquakes are to be exempt from being treated as cash assets, but only if the chief executive is satisfied that the person to whom a payment is to be or has been made intends to use or has used the payment to repair or rebuild any existing residential premises, or to purchase any replacement residential premises; and
- clarify that if certain payments are paid in instalments, or 1 or more payments are made, the date that the payments are made is the date on which the final instalment is paid or the last payment is made.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 29 March 2012.
These regulations are administered by the Ministry of Social Development.
