



Social Security (Cash Assets and Income Exemptions— MSD Lump Sum Payments) Amendment Regulations 2019

Patsy Reddy, Governor-General

Order in Council

At Wellington this 16th day of September 2019

Present:

Her Excellency the Governor-General in Council

These regulations are made under sections 422(1), 423(1)(b), and 428(1) and (2)(d) and (f) of the Social Security Act 2018 on the advice and with the consent of the Executive Council.

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Regulations

- 1 Title**
These regulations are the Social Security (Cash Assets and Income Exemptions—MSD Lump Sum Payments) Amendment Regulations 2019.

2 Commencement

These regulations come into force on 17 October 2019.

3 Principal regulations

These regulations amend the Social Security Regulations 2018 (the **principal regulations**).

4 Schedule 8 amended

(1) In Schedule 8, clause 1, after item 19, insert:

20	An MSD lump sum payment to which clause 54 applies	Not cash assets of the person to whom the payment was made	Only for the first 12 months after the payment is made
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(2) In Schedule 8, clause 2, after item 20, insert:

21	An MSD lump sum payment to which clause 54 applies	Not cash assets of the person to whom the payment was made	Only for the first 12 months after the payment is made
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(3) In Schedule 8, clause 3, after item 7, insert:

8	An MSD lump sum payment and any income to which clause 54 applies	Not chargeable income for the person to whom the payment was made	Only for the first 12 months after the payment is made
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(4) In Schedule 8, clause 4, after item 25, insert:

26	An MSD lump sum payment and any income to which clause 54 applies	Not income for the person to whom the payment was made	Only for the first 12 months after the payment is made
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(5) In Schedule 8, after Part 30, insert the Part 31 set out in the Schedule of these regulations.

Schedule New Part 31 inserted into Schedule 8

r 4(5)

Part 31 MSD lump sum payments

53 Interpretation

In this Part, unless the context otherwise requires,—

benefit includes special assistance granted under a programme approved under section 100 or 101 of the Act

MSD lump sum payment means a lump sum payment of a benefit—

- (a) that was made on or after 17 October 2019 by MSD; and
- (b) that is not a lump sum payment made by MSD of a kind specified in any other clause of this schedule.

54 Payments and income

This clause applies to—

- (a) an MSD lump sum payment made to a person (A); and
- (b) any income derived (directly or indirectly) by A from the payment referred to in paragraph (a).

Michael Webster,
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 17 October 2019, amend Schedule 8 of the Social Security Regulations 2018. The amendments relate to an MSD lump sum payment, which means a lump sum payment—

- of a benefit (which, for this purpose, includes special assistance granted under a programme approved under section 100 or 101 of the Social Security Act 2018 (the Act)); and
- that was made on or after 17 October 2019 by MSD; and
- that is not a lump sum payment made by MSD of a kind specified in any other clause of that schedule.

The amendments ensure that, for the first 12 months after the payment is made, the payment is not treated as cash assets or chargeable income for the purposes of determining the person's accommodation supplement or temporary additional support entitlements under the Act. They also ensure that, for the first 12 months after the payment is made, the payment and income derived from the payment are not the person's income for the purposes of the Act.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 19 September 2019.

These regulations are administered by the Ministry of Social Development.