**Financial Capability Rubric – Taxation\***

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| **Financial Capability learning outcomes - Taxation** | | | | | | |
| **Capability** | **Theme** | **Level 4** | **Level 5** | **Level 6** | **Level 7** | **Level 8** |
| **Manage money and income** | System | * Explain why Aotearoa New Zealand has a revenue system. * Describe differences between goods and services. * Explain Goods and Services Tax (GST). * Explain how tax is collected. * Understand what tax is used for in Aotearoa New Zealand. * Explain the purpose of an IRD number. | * Explain why individuals, businesses and families are taxed differently. * Describe how taxation contributes to the overall wellbeing of Aotearoa New Zealand. * Explain how Goods and Services Tax (GST) is paid and collected. * Understand the differences between inclusive and exclusive prices of products and services in Aotearoa New Zealand. | * Use GST rate to calculate inclusive and exclusive prices in Aotearoa New Zealand. * Describe and explain how different taxes, e.g., rates, are spent at a local level. | * Describe and explain how different taxes are spent at a national level, e.g., Government budget. | * Describe and explain an issue/s around taxation relating to the New Zealand economy. |
| Individuals | * Explain how your income contributes to the wellbeing of others (individuals/whānau/groups/iwi/hapū). * Explain purpose of an IRD number * Discuss why you, as an individual, pay income tax. * Explain how income tax is collected. * Define hourly, weekly, net pay and annual gross pay. * Describe different sources of income (e.g. from employment, sales, gifts, investments, government benefits etc.). * List different types of income (e.g. salaries, bonuses, commission, dividends, interest, etc.). * Define an income tax assessment. * Explain your responsibilities as a taxpayer. * Define KiwiSaver and describe the benefits of it. * Define a student loan. * Describe ways to manage money for tax purposes. | * Explain types of income (e.g. salaries, bonuses, commission, dividends, interest, etc.). * Explain different types of expenses that individuals can claim against their income. * Investigate the way people get paid including wage and salary payments. * Describe PAYE and how it is applied to a payslip. * Identify multiple situations which require you to have an IRD number. * Understand an income tax assessment and describe how it works. * Explain pay deductions and the link to the next (Kiwi Saver, student loans). * Investigate tax choices for future decision making. | * Compare how different types of incomes are taxed for individuals. * Compare and contrast different sources of taxable and non-taxable income. * Describe different income taxes and deductions and their impact on income, e.g. personal tax, withholding tax, PAYE * Explain taxation and other deductions or payments relating to personal income, e.g. KiwiSaver, student loan repayments. | * Describe and explain an issue/s around taxation relating to individuals, e.g., iwi land trusts. * Understand your obligations when paying provisional tax. * Identify tools and calculations to support paying taxes (e.g provisional tax, income tax, terminal tax, etc). * Describe when you need to complete an IR3. | * Explain options to increase personal income, e.g., secondary income, promotion, pay increase, unearned income and how this affects how you are taxed. * Understand how to file an IR3. * Understand what your tax responsibilities as a New Zealander when working and living overseas. |
| Business (Non-individuals) | * Investigate what makes an entity in Aotearoa New Zealand. * Investigate the difference between profit and not for profit entity in Aotearoa New Zealand. * List tax related events that require an IRD number for businesses in Aotearoa New Zealand. | * Name different types of the characteristics of business entities in Aotearoa New Zealand. * Explain tax obligations for a profit and a non- profit organisation or entity. * List different types of income sources for businesses. * List different types of expenses that businesses can claim against their income. * Identify tax rates for business entities in Aotearoa New Zealand (eg. self- employed, Māori authorities, etc). | * Compare and contrast all business entities in Aotearoa New Zealand. * Explain the tax obligations related to all different business entities in Aotearoa New Zealand. * Understand how to file and pay GST. | * Explain income tax rates for different entities in Aotearoa New Zealand and how they are applied. * Compare and contrast different filing income requirements for non-individual businesses. |  |
| Families |  | * Investigate social policies within Aotearoa New Zealand that support families. * List all types of working and families’ entitlements. | * Investigate different types of family tax credits. | * Understand eligibility criteria for working for families and parental leave entitlements. * Understand the application process for working for families and parental leave entitlements. |  |

\* Adapted from MOE FinCap learning progressions ([Financial capability progressions / Financial capability / Curriculum resources / Kia ora - NZ Curriculum Online (tki.org.nz)](https://nzcurriculum.tki.org.nz/Curriculum-resources/Financial-capability/Financial-capability-progressions))