

# Paid parental leave (PPL) application

## What is paid parental leave?

Paid parental leave is a government-funded entitlement paid to eligible parents and other primary carers when they take parental leave or stop working. These payments generally cover up to the first 22 weeks after a new baby is born or a child under the age of six arrives in their care. PPL goes towards the loss of income that primary carers experience when they stop working to care for this new baby or child.

## Who qualifies?

### Care requirements

Are you a primary carer that is:

- an expectant mother (you are pregnant or have a baby under 1 year old)
- or
- a primary carer who takes permanent primary responsibility for a child under 6 years old (such as adoptive parent, home for life parent, whāngai, grandparent with permanent full-time care and others with permanent care arrangements). Permanent primary responsibility does not include part-time or temporary responsibility such as foster care or childcare arrangements.

**Note:** A primary carer does not include the spouse or partner of the expectant mother. The mother will need to apply (IR880) and transfer the entitlement (IR881).

Yes

### Work requirements

Have you:

- worked an average of at least 10 hours a week for any 26 out of the 52 weeks immediately before your due date or date child came into your care?

and

- applied for/taken leave or stopped working immediately to care for your newborn baby or child now in your care?

This work can be for any employer, a combination of employers or as a self-employed person even if there were periods where you did not work.

Yes

### Exclusions

Have you:

- had any previous paid parental leave within the last six months?
- returned to work (except for Keeping In Touch (KIT) hours)?

No

No

No

Yes

You are  
not eligible

You are eligible

For more information about PPL go to the Ministry of Business, Innovation & Employment's website [www.employment.govt.nz](http://www.employment.govt.nz)

## Which is better for you?

### Best Start tax credit (BSTC)

BSTC is one of the Working for Families tax credits payment types. The payment is \$60 per week for the first year of your child's life, and then up to \$60 per week for the next two years depending on your family income.

You can't receive both PPL and BSTC at the same time for the same child, so your BSTC payments will start when your PPL finishes.

To find out more about BSTC and the Working for Families payment types, go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keyword bstc).

## General information

### When to apply

The expectant mother can apply:

- before your baby's birth or
- up to your child's first birthday or when you return to work (whichever is earlier).

The other primary carer can apply:

- when the child comes into your care, or
- up to when the child has been in your care for 12 months or when you return to work (whichever is earlier).

If you're assuming care of a child (e.g. adoption or whāngai) you must either stop work or take leave when the child first comes into your care to be eligible to receive payments. If you continue working at the time the child comes into your care you may not qualify for PPL.

If you're applying after your entitlement period begins, we'll back pay you any unpaid entitlement as a lump sum.

Visit the Ministry of Business, Innovation & Employment website [www.employment.govt.nz](http://www.employment.govt.nz) to find out about your entitlements and requirements prior to applying for payments.

### How much you'll receive and how long you'll be paid

- We'll match your income from employment and/or self-employment up to the maximum payment.
- The maximum payment is \$585.80 a week before tax.
- The minimum payment is \$177.00 a week before tax. If you earn less than this as a self-employed person (or make a loss) this is what you will receive.
- You can receive PPL for a maximum of 22 weeks.
- There are additional payments if your baby is born pre-term (before 37th week of pregnancy).

### When your payments begin

Payments are fortnightly. Inland Revenue will send you confirmation your application has been accepted within 14 days. This will include the dates and amounts of your payments.

## Documents you will need

### Care verification

Expectant mother:

- Proof of pregnancy from lead maternity carer or doctor or
- Birth certificate

Other primary carer:

- Certified copy of court order or *if unavailable*
- Letter from Ministry of Social Development or *if you have neither of these*
- *Statutory declaration (IR880D)*

### Working while you receive PPL

If you're an employee

You can work limited Keeping in Touch (KIT) hours during your PPL period without losing your entitlement to payments.

You won't lose your PPL entitlement if:

- you resign or
- your fixed-term agreement expires.

For more information about KIT hours, contact Ministry of Business, Innovation & Employment on 0800 209 020.

If you're self-employed

You won't lose your entitlement to PPL if you receive income for:

- self-employed work done before your PPL started
- work done by other people while you're receiving PPL
- occasional oversight or administration of your business during your PPL period
- you decide to cease self-employment.

### Receiving PPL payments and another source of income at the same time

If you're receiving PPL payments and another source of income (eg an employer top-up) you'll need to use a secondary tax code for the lower payment amount. This will help you avoid a tax bill at the end of the year.

Find out more about secondary tax codes at [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: tax code).

### Contributing to KiwiSaver

If you're a KiwiSaver member you can choose to continue your contributions while on PPL. You can do this by completing a *KiwiSaver deduction (KS2)* form and attaching it to your PPL application when you send it to Inland Revenue.

You can get a KS2 from [www.kiwisaver.govt.nz](http://www.kiwisaver.govt.nz) or by calling 0800 549 472.

### Work verification

- Employer declaration
- or
- Chartered accountant or tax advisor's declaration
- or
- Statutory declaration

### Pre-term birth

If your baby is born before the 37th week of pregnancy, you must provide proof of:

- your original expected due date
- and
- the date of birth.

### Privacy

Meeting your tax obligations means giving us accurate information so we can assess your liabilities or your entitlements under the Acts we administer. We may charge penalties if you don't. We may also exchange information about you with:

- some government agencies
- another country, if we have an information supply agreement with them
- Statistics New Zealand (for statistical purposes only).

If you ask for the personal information we hold about you, we'll give it to you and correct any errors, unless we have a lawful reason not to. Call us on 0800 775 247 for more information.

For full details of our privacy policy go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keyword: privacy).

### Penalties

It's an offence to:

- give false or misleading information or
- fail to provide information with the intention to mislead to enable you or another person to receive PPL.

There is a fine of up to \$15,000 for anyone convicted of this offence.

### If you disagree

If you don't agree with a decision about your application for parental leave payments you can call the Ministry of Business, Innovation and Employment on 0800 209 020 or go to their website at [www.employment.govt.nz](http://www.employment.govt.nz) for more information.



# Paid parental leave (PPL) application



Office use

**?** There are notes on page 6 of this form to help you answer some of the questions.

## Your details

First name  Surname

IRD number  (8 digit numbers start in the second box. 1 2 3 4 5 6 7 8)

Postal address

Street address or PO Box number

Suburb, box lobby or RD  Town or city  Postcode

Phone number  ( )  ( )

Daytime Other

## Ethnic group - Optional

We collect the following information for statistical purposes. **Please tick the ethnic group(s) you belong to:**

NZ European     Cook Island Māori     Chinese     Other (please specify)

Māori     Tongan     Indian   

Samoan     Niuean

## Your relationship to the child

1. I'm applying for PPL as (tick one option)

**the expectant mother**  
(I am pregnant or have a baby under 1 year old)

**You must provide** evidence of pregnancy or birth  
- see the checklist on page 5.

**a primary carer:**  
(I have permanent primary responsibility for a child  
under 6 years old)

**You must provide** evidence of care of the child  
- see the checklist on page 5.

**Note:** Permanent primary responsibility does not include part-time or temporary responsibility such as foster care or childcare arrangements.

## Your child

2. Child's birth date (DOB) or expected due date (EDD).  DOB  EDD

Day Month Year

3. Are you caring for a pre-term baby?  Yes  No

**Note:** If your baby is born pre-term (before the 37th week of pregnancy), you'll be entitled to additional payments.  
If your baby arrives early after you have sent in this application contact Inland Revenue to receive your correct entitlement.

## Your PPL period

4. Enter the date your PPL period will start.

Day Month Year

**?** See note 1 on page 6 for help working out your start date.

5. Are you transferring any of your unused paid parental leave to your spouse or partner?  Yes  No

**?** See note 2 on page 6 for information on transferring payments.

If you're transferring any entitlement, you must complete and attach a *Paid parental leave (PPL) transfer (IR881)* form.

6. If you're:

- not taking your full entitlement for PPL, or
- transferring any entitlement to a spouse or partner

enter the date your PPL period will end.

Day Month Year

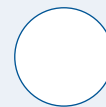
**Note:** If you're transferring any entitlement, only show the period you will claim.

## Payment Details

7. Enter your tax code for your PPL payments.

Work out your tax code at [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: tax code) or call us on **0800 227 774**. You **don't** need to send us a completed *Tax code declaration (IR330)* form.

**Note:** PPL payments are considered salary and wage incomes for tax purposes.



8. Bank account number

**Note:** Payments are made fortnightly on a Thursday and can only be made to a New Zealand bank account.

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Bank	Branch	Account number										Suffix							

9. Do you pay child support through Inland Revenue?

Yes  No

**Note:** If you already pay or receive child support and want more information about what to do when your circumstances change, or if you'd like to apply for child support, visit [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: child support).

10. Do you want to have KiwiSaver deductions made from your PPL payments?

Yes  No

**Note:** If yes, you'll need to complete a *KiwiSaver deduction (KS2)* form and attach it to this application.

## Your work record

**To be eligible for PPL you must have:**

**Over any 26 of the 52 weeks before the date the child came into your care:**

- worked at least an average of 10 hours per week for any employer(s), or
- been self-employed for at least an average of 10 hours per week

You don't need to have worked 10 hours in every week, as long as you average 10 hours or more over the 26 weeks.

You can't combine work you have done as an employee and in self-employment to meet the minimum 10 hours (e.g. if you worked for only 5 hours per week for an employer and 5 hours in self-employment you won't qualify for PPL).

11. What paid work is your application based on?

Tick one option  Employee  Self-employed

**Note:** If you meet work requirements both as a self employed person and an employee and want to combine your income to meet the maximum payment, you must complete 2 forms and a declaration for both sources of income. On the second form only complete your details, your work record, the declarations sections.

12. During the 52 weeks up to your EDD or date the child came into your care, have you:

- been in paid work (either employed or self-employed) for at least any 26 weeks and  Yes  No
- worked an average of at least 10 hours per week during these weeks.  Yes  No

**Note:** If you ticked no to either question you're not entitled to PPL.

13. What was your average weekly income from work or your ordinary weekly pay?

If you are:

- **an employee** - use your income before tax (gross)
- **self-employed** - use your income after deductions (net) but before tax.

\$



**See note 3 on page 6 for help working out your income.**

Your payments will be matched to your income up to a **maximum of \$585.80** a week.

14. Are you resigning from employment instead of taking leave?

If self-employed leave blank  Yes  No

**Note:** If you decide to resign at a later date, you don't need to contact us.

## Keeping in touch with work

If you are an employee you can work limited Keeping in Touch (KIT) hours without losing your entitlement to payments.

For more information about KIT hours contact the Ministry of Business, Innovation & Employment.

You **must** call Inland Revenue if you go back to work for more than your KIT hours.

If you are self-employed, you can do occasional oversight or administration of your business without losing your entitlement.

## Industry group - Optional

We collect the following information for statistical purposes.

**Please tick the industry group worked in in the 12 months before this PPL application.**

- |  |  |  |  |
|--|--|--|--|
| <input type="radio"/> Accommodation, restaurant      | <input type="radio"/> Cultural, recreational               | <input type="radio"/> Government                 | <input type="radio"/> Personal, other services |
| <input type="radio"/> Agriculture, forestry, fishing | <input type="radio"/> Education                            | <input type="radio"/> Health, community services | <input type="radio"/> Transport, storage       |
| <input type="radio"/> Communication                  | <input type="radio"/> Electricity, gas, water supplier     | <input type="radio"/> Manufacturing              | <input type="radio"/> Wholesale, retail        |
| <input type="radio"/> Construction                   | <input type="radio"/> Finance, business services, property | <input type="radio"/> Mining                     |  |

# Which work verification do you need?

## Did you tick employee or self-employed at question 11?

### Employee

### Self-employed

Have you worked for only one employer for the last 52 weeks up to the due date or the date the child came into your care?

Do you have a chartered accountant or tax advisor?

YES

NO

Are you:

- a doctor rotating between different district health boards, or
- a teacher who was employed by different boards of trustees in a state school or integrated school

NO

Can **just one** employer verify that you have worked for them for at least an average of 10 hours per week for any 26 of the last 52 weeks?  
(This can be your current or a previous employer)

YES

NO

Can the same employer verify that you earned the income you have provided in this application?

NO

YES

YES

NO

YES

#### Employer's declaration

After signing below you must take this form to your employer and have them complete the declaration on page 4 of this application.

- Your employer is required to fill in the employer's declaration on this form. Your employer will declare that you have worked the required hours and number of weeks to qualify, and that the income you have declared is accurate.
- When your employer has filled in the employer's declaration, they'll give the form back to you to send to Inland Revenue along with your supporting documentation.

Please call the Ministry of Business, Innovation & Employment on **0800 209 020** if your employer won't fill in the form.

#### Statutory declaration

After signing below you must complete the statutory declaration on page 5 of this application.

##### People authorised to take this declaration

- a Justice of the Peace
- a person enrolled as a barrister and solicitor of the High Court
- a registered legal executive (fellow of the NZILE)
- a notary public
- a registrar or deputy registrar of the High Court, District Court, Court of Appeal or Supreme Court
- a member of parliament
- other government officer authorised to take statutory declarations.

You can usually find a list of JP's or other people authorised to take a statutory declaration in the Yellow Pages [www.yellow.co.nz](http://www.yellow.co.nz)

#### Chartered accountant and tax advisor declaration

After signing below you must take this form to your chartered accountant or tax advisor and have them complete the declaration on page 4 of this application.

To verify your application, your chartered accountant or tax advisor must be a member of an organisation who has approved advisor status with Inland Revenue.

These organisations are:

- Chartered Accountants Australia New Zealand (CA ANZ) [www.charteredaccountantsanz.com](http://www.charteredaccountantsanz.com)
- Accountants and Tax Agents Institute of New Zealand (ATAINZ) [www.atainz.co.nz](http://www.atainz.co.nz)
- CPA Australia [www.cpaaustralia.com.au](http://www.cpaaustralia.com.au)

### Applicant's declaration - applicant must complete this section

I declare that information I supply in this application is true and correct to the best of my knowledge, and I understand:

- if I return to work before I have received all of my paid parental leave payments (except for Keeping in Touch hours), I must notify Inland Revenue immediately because I'll no longer be entitled to receive PPL and,
- there are penalties of up to \$15,000 for providing false or misleading information or failing to provide information with the intention to mislead.

Signature

Day Month Year

Day Month Year

**Employer's declaration - employer to complete this section**

Employers name

IRD number  (8 digit numbers start in the second box. 1 2 3 4 5 6 7 8)

Postal address     
Street address or PO Box number and suburb, box lobby or RD Town or city Postcode

Contact person  Job title

Phone number    
Work Other

I declare that \_\_\_\_\_ (applicant's name) has met the work requirements declared in question 12 of this application and the income declared in question 13 is correct.

*There are penalties of up to \$15,000 for giving false or misleading information, or failing to provide information with the intention to mislead.*

My declaration as above is true and correct to the best of my knowledge.

Signature     
Day Month Year

**Chartered accountant's and tax advisor's declaration**

Chartered accountant's or tax advisor's business name

Chartered accountant's or tax advisor's business IRD number  (8 digit numbers start in the second box. 1 2 3 4 5 6 7 8)

Postal address     
Street address or PO Box number and suburb, box lobby or RD Town or city Postcode

Chartered accountant's or tax advisor's contact person   
Name

Phone number    
Work Other

Please complete the statement below by deleting whichever is inapplicable (\*) and continue to sign the chartered accountant's or tax advisor's declaration below.

*There are penalties for giving false or misleading information or failing to provide information with the intention to mislead.*

\_\_\_\_\_ (name of self-employed person) of \_\_\_\_\_ (address of self-employed person)

- (a) is self-employed because he or she is working, other than as an employee, doing 1 or more of the following:
  - (i) providing goods or services for hire or reward under a contract for services:
  - (ii) carrying on business (including a profession, a trade, manufacturing, or an undertaking carried on for pecuniary profit), including in partnership with another person:
  - (iii) working for a trust in a business (as defined in paragraph (ii)) carried on by the trust; and
- (b) has worked an average of 10 hours in any of the 26 weeks preceding the \*expected date of delivery of their child (or children)/\*date on which they will assume the care of a child (or children) and  
*\*delete whichever does not apply*
- (c) the average weekly income showing in question 13 is correct.

I \_\_\_\_\_, am a chartered accountant or tax advisor for the person named above and I declare that I have nothing in my knowledge or possession to suggest that the information provided above is incorrect

Name

Signature     
Day Month Year

## Statutory declaration

Only complete this section in front of a Justice of the peace or other person authorised to take a statutory declaration

I, \_\_\_\_\_ [name]

of \_\_\_\_\_ [address, occupation], solemnly and sincerely declare that:

1 For statement 1 and 2 delete (a) or (b) which ever does not apply.

(a) I was/am\* employed as an employee

*\*delete whichever does not apply.*

(b) I was/am\* self-employed because I was/am working, other than as an employee, doing 1 or more of the following:

(i) providing goods or services for hire or reward under a contract for services:

(ii) carrying on business (including a profession, a trade, manufacturing, or an undertaking carried on for pecuniary profit), including in partnership with another person:

(iii) working for a trust in a business (as defined in paragraph (ii)) carried on by the trust;

*\*delete whichever does not apply.*

2 And I have worked/will have worked\* as an employee/self-employed\* at least an average of 10 hours a week over any 26 of the 52 weeks immediately preceding:

(a) the expected date of delivery of my child/children\*

(b) the first date on which I/my spouse or partner\* became the primary carer in respect of the child/children\*

*\*delete whichever does not apply.*

3 And to the best of my knowledge, the income I have provided in this application is correct.

And I make this solemn declaration conscientiously believing the same to be true by virtue of the Oaths and Declarations Act 1957.

Signature

Declared at:

Place

Day	Month	Year

Signature of Justice of the peace or other person authorised to take a statutory declaration

## Checklist

### Care verification:

#### Expectant mother:

You must attach:

proof of pregnancy from your lead maternity carer or doctor showing your EDD

or

your baby's birth certificate.

#### Other primary carer:

You must attach formal documentation confirming the care arrangement:

a certified copy of a court order placing the child in your care,

or if you do not have a court order,

a letter from Oranga Tamariki—Ministry for Children or your social worker confirming the care arrangement,

or if you have neither of these,

complete a *Statutory declaration (IR880D)* that the child is in your care.

### Work verification:

You must have completed one of the following (see page 3 to confirm which one):

Employer declaration

or

Chartered accountant's or tax advisor's declaration

or

Statutory declaration.

### Pre-term birth:

If you ticked yes at question 3, you must attach:

proof of pregnancy from your lead maternity carer or doctor showing your original EDD

and

the child's birth certificate if it has been issued, or a medical certificate or hospital records confirming the date of birth.

Please securely attach all documentation

Complete the check list before sending your application to Inland Revenue.

Make sure you have signed and dated the application on page 3.

Send your completed application to: Inland Revenue, PO Box 39010, Wellington Mail Centre, Lower Hutt 5045

## ? Notes to help you fill in the form

### ? Note 1: Start date

#### If you are

the expectant mother:

- you can set a start date up to 6 weeks before your EDD (or earlier with a medical certificate, or with your employer's agreement)
- your start date cannot be later than your EDD or child's date of birth.

other primary carer:

- your start date is the day you become the primary carer of that child, that is, having permanent primary responsibility for the child's care, development and upbringing.

Using paid leave entitlements

You may use paid leave entitlements (eg annual holidays) before starting your parental leave payments. In this situation you can start your parental leave payment period from the day after your paid leave entitlements end, even if it is later than the child's EDD or DOB, or the date they come into your care.

If you won't be using paid leave entitlements, your start date cannot be later than your EDD or child's date of birth, or the day you become the primary carer of the child.

### ? Note 2: Transferring payments

If your spouse or partner is also taking parental leave or stopping work, you can transfer some or all of your entitlement to them.

You and your partner also need to fill in a *Paid parental leave (PPL) transfer (IR881)* form and send it in with this application.

If you and your spouse or partner are becoming joint primary carers of a child under six, you must elect which one of you claims PPL. You can still transfer entitlement to them once you have elected to claim PPL.

*Transfer of payments in special circumstances*

Where the mother would have qualified for parental leave payments but has died or no longer has legal guardianship of the child, the entitlement may be transferred to their spouse or partner if they are eligible. If you're a spouse or partner applying for one of these reasons, contact Inland Revenue before you complete any forms.

### ? Note 3: Calculating your income

#### If you are an employee:

Your PPL payments will be based on your ordinary weekly pay or the average of your 26 highest-paid weeks out of the last 52 weeks up to your due date or the date the child comes into your care. Your payments will be matched to your weekly income up to a maximum of \$585.80.

You can choose whichever is greater of your **ordinary weekly pay** or **average weekly income** from work.

#### Ordinary weekly pay over \$585.80

If you earn a regular salary or wage and your income for an ordinary working week is over \$585.80 enter your ordinary weekly pay (including any overtime you regularly work).

#### Ordinary weekly pay under \$585.80

If you don't work regular hours every week, or you're not currently working, calculate your average weekly income as follows:

Take the highest-paid 26 weeks of the 52 weeks immediately before your baby's expected due date or the date the child comes into your care. Divide the total by 26 and enter the result at question 13.

If you haven't started your parental leave yet you'll need to predict the hours up to your expected due date or the date you expect the child to come into your care, based on your current work patterns.

#### Example

In the 52 weeks prior to Marama's due date of 1 July, she worked:

Weeks	Type of work	Earnings per week
6 weeks	temporary staffer	\$750
8 weeks	no work or income	
6 weeks	short-term contract	\$800
4 weeks	no work or income	
28 weeks	permanent position	\$400 (ordinary weekly pay)
Total of 52 weeks up to her expected due date		

Marama qualifies as she worked at least 26 out of the last 52 weeks.

Marama's ordinary weekly pay is \$400 as this is the amount she usually earns every week. As it is under \$585.80, Marama should also calculate her average weekly income.

To calculate her average weekly income, Marama should ignore her gaps in income and use her highest 26 weeks:

6 wks at \$800	=	\$4,800
6 weeks at \$750	=	\$4,500
14 weeks at \$400	=	\$5,600
Total 26 weeks	=	\$14,900
Divide by 26	=	<b>\$573.07</b> (average weekly income)

As Marama's average weekly income (\$573.07) is higher than her ordinary weekly pay (\$400), this is the amount she should use.

#### If you are self-employed:

Your PPL payments will be based on the average of your last 6 or 12 months of earnings, whichever is higher. Use your income after expenses but before tax.

Take either your last 12 months of earnings and divide by 12, or your last 6 months of earnings and divide by 6. Enter whichever figure is higher as your average weekly income.

Kate is self-employed. Her income fluctuates every month.

last 12 months	\$22,000 before tax ÷ 12	\$423.07
last 6 months	\$15,000 before tax ÷ 6	\$576.92
As her last 6 months of earnings are higher, Kate should use this figure as her average weekly income.		

### Employers

#### You are required to fill in the employer's declaration on this form and return it to your employee.

- Your employee must have notified you in writing of their intention to resign or take parental leave. They must have been granted parental leave, or stopped work, before starting PPL payments.
- If your employee is resigning this won't affect their entitlement.
- Your employee must not have taken paid parental leave within the 6 months before the expected date of birth or date they assumed care of the child.
- You must verify that your employee has worked at least an average of 10 hours per week over any 26 of the 52 weeks immediately preceding the child coming into their care. If you cannot verify this, your employee will have to complete the statutory declaration.
- There are special rules for doctors rotating between different district health boards, and teachers employed by multiple boards of trustees in a state school or integrated school.
- If you have any questions about parental leave, go to the Ministry of Business, Innovation and Employment's website [www.employment.govt.nz](http://www.employment.govt.nz) or call them on **0800 209 020**.

### Chartered accountant or tax advisor

You need to fill in your details and sign the "Chartered accountant's and tax advisor's declaration" to verify the information provided by the applicant.

You must be a member of an organisation that has approved advisor group status as stated in the Tax Administration Act 1994. Return the form to your client.

### Statutory declaration witness

You will need to witness the applicant's statutory declaration.

#### The applicant must declare:

- they are an eligible self-employed person or eligible employee, and
- they have worked for the required number of weeks and hours to qualify for PPL, and
- they have earned income as stated.