



Christmas Payroll Pointers

Lump Sum Payments

If you are making a lump sum payment to an employee, please remember that the tax can be higher than usual, this can affect ACC, KiwiSaver and student loan repayments.

Close Down Period

If your business has an annual close period requiring your employees to take their annual leave or unpaid time off, it is important that you have given them at least 14 days' notice.

'Mondayisation' – How it works

When a public holiday falls on the weekend, it is Mondayised. This Christmas/New Year the 26 December and 2 January will be Mondayised.

Example:

If an employee who normally works on a Saturday works on 26 December or 2 January, you should pay them time & half for the hours worked and an alternative public holiday earned or day in lieu.

Example:

If an employee who does not normally work Saturdays but does on Mondays they should be paid Statutory Holiday leave.

Working on a public holiday

To work out how your employee should be paid on a public holiday when they work on this day, you need to check if they would normally be working this day. If the public holiday is their normal day of work the employee time and half for the hours worked and a day in lieu. If it is not their usual day of work and they work, then they are just entitled to time and half for the time worked.

Terminations at Public Holiday time

If an employee is terminating their employment over the holiday period – for example over Christmas, its important to check if they have earned any entitled leave. This is because if their earned (entitled) leave would stretch to the public holidays then they are entitled to be paid for the public holiday.

Please do not hesitate to contact our payroll specialist Juanita Reddish or our office us if you require any help with your payroll, we are here to help.



Juanita Reddish

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