

Voluntary Bonding Scheme (the Scheme) Payment Application Guide

How can I apply for payments?

Please read this guide before completing a payment application form. It contains important information to help you:

- fill out the payment application forms correctly and
- include the necessary supporting documents

The Terms and Conditions are available on the Ministry of Health (the Ministry) website, and payment application forms also become available around 3 years after your registration for the Scheme:

<https://www.health.govt.nz/our-work/health-workforce/voluntary-bonding-scheme/voluntary-bonding-scheme-terms-and-conditions-and-payment-application>

When can I apply?

Participants are generally eligible to apply for a first payment following completion of three years (36 months) working according to the Terms and Conditions. Most participants can go on to be eligible to apply for a second payment following completion of a fourth year and again after a fifth year (48 and 60 months service respectively).

Please note: most registrants must apply for each payment within nine months of becoming eligible to apply, please refer to the Terms and Conditions for your profession and intake year.

How much can I get paid?

Scheme payment rates for each profession are detailed in the table below:

| Profession | 1 st Payment for Years 1-3 (after tax) | 2 nd Payment for Year 4 (after tax) | 3 rd Payment for Year 5 (after tax) |
|--|--|---|---|
| Graduate Doctors & Dentists | \$30,000 | \$10,000 | \$10,000 |
| General Practice Trainees ¹ | \$30,000 | - | - |
| Registered and Enrolled Nurses | \$8,499 | \$2,833 | \$2,833 |
| Midwives | \$10,500 | \$3,500 | \$3,500 |
| Medical Physicists & Sonographers | \$11,796 | \$3,932 | \$3,932 |
| Radiation Therapists | \$10,125 | \$3,375 | \$3,375 |

What are the payment criteria?

The Ministry will assess your payment application to ensure that you have met the Terms and Conditions, including

- when you completed study towards your undergraduate degree
- when you started working in an eligible hard-to-staff profession, community or specialty
- the length of time you have been working in the hard-to-staff community or specialty
- any leave you have taken or breaks in your employment, paid or unpaid
- your citizenship or residency status (you must be a New Zealand citizen or have a permanent right to reside in New Zealand by the time you apply for payments).

¹ Postgraduate General Practice Trainees who registered for the Scheme in the 2013 to 2016 intakes are eligible to apply for additional payments for a completed 4th and 5th year

How are the payments made?

If you have a student loan

Once the Ministry has received and approved your completed application for payment, full payment is made to Inland Revenue to credit against your student loan. If the payment is greater than the balance of your loan, we recommend you contact Inland Revenue directly to have any difference reimbursed (please visit www.ird.govt.nz or phone 0800 377 778).

If you don't have a student loan

The payment is made to your chosen bank account. You will need to include verification of your bank account number with your application – such as a Pre-printed Deposit Slip **OR** hand-written deposit slip, stamped by bank teller **OR** top section of bank statement **OR** a letter from your bank.

What are the tax implications?

Scheme payments are subject to income tax, and may have an impact on your income tax obligations, Working for Families payments, and child support payments etc.

The Ministry suggests that you seek independent tax advice on how Scheme payments will affect your tax position. For further tax information, contact Inland Revenue on 0800 775 247 or visit their website (www.ird.govt.nz).

How do I complete the Voluntary Bonding Scheme form, and what information do I need to provide?

The application form for your Intake and profession covers applications for a first, second and third payment. You will need to indicate which payment(s) you are applying for. We encourage you to apply promptly for each payment as soon as you believe you are eligible, and you must apply within the allowed timeframe, as detailed in the terms and conditions for your profession and intake year.

Name and contact details

Make sure you provide full name and contact details on the payment application form. You must ensure your contact details are up to date throughout your bonded period. Any changes should be advised to the Ministry by email: vbs@health.govt.nz.

Citizenship or residency status

You must be a New Zealand citizen or have a permanent right to reside in New Zealand at the time you apply for the first payment. You will need to supply proof of your current citizenship or permanent residency status when you apply for payments, such as your passport, birth certificate, certificate of citizenship or permanent residency visa. You may also be eligible if you have a Returning Resident's Visa (please contact us at vbs@health.govt.nz for more information).

Photographic Proof of identity

If your Proof of Residency does not contain Photographic Identification you will need to provide photographic proof of your identity, for example: a copy of your driver's licence.

Tax Invoice (if applicable)

If you are an independent contractor (if you organise payment of your own tax and complete an Individual Tax Return [IR3]) you will need to provide a tax invoice. If you are unsure of the values to invoice, please email vbs@health.govt.nz. Information on tax invoices can be found on Inland Revenue's website: <https://www.ird.govt.nz/gst/tax-invoices-for-gst/how-tax-invoices-for-gst-work>

Certificate of Service

When you apply for a payment you need to provide a Certificate of Service from your employer(s) which covers the bonded period, which confirms:

- the date you commenced (and if applicable, ended) employment within an eligible hard-to-staff community/communities or specialty/specialties
- that you have met the 0.6 FTE requirement of the Scheme. This can be an average over any 12-month period on the Scheme ²
- that you have been employed in an eligible hard-to-staff community, specialty or profession for at least the minimum bonding period of 36 months for the first payment, or 12 months for the second or third payment
- details of all breaks, parental leave, sick/annual/unpaid leave taken during the course of the bonded period
- If you have not had any absences from work, this must also be clearly stated
- ***If you are a doctor on a vocational training programme***, confirmation from your training provider of your start date and that you are completing/have completed the requirements of the programme
- ***If you are a Lead Maternity Carer midwife***, confirmation of your completed births from your midwifery provider organisation, or if you make maternity claims directly to the Ministry of Health, confirmation of your agreement and payee numbers which you use to claim.

Please send your completed application form and all supporting documents to:

**Voluntary Bonding Scheme
Attn: Voluntary Bonding Scheme Administrator
Ministry of Health
PO Box 5013
Wellington 6140**

Or you may also scan and email your application form and supporting documents to **vbs@health.govt.nz**. These should be supplied in **PDF (*.pdf) format** and attached to a single email.

If you have any queries, please contact the Ministry of Health by email: vbs@health.govt.nz

² **0.6 FTE** Full Time Equivalent: The unit value that indicates an employee's workload. The minimum required (average) workload for those on the Voluntary Bonding Scheme is 0.6 FTE. This is the equivalent of a workload of 24 hours per week, or 1,152 hours over a normal working year of 48 weeks.