



Summary

Objective

Disbursements are refunds made to customers when they have a credit on their account. This page covers the rules for the payment method for disbursements, disbursements to third parties, disbursements for inactive accounts, multiple disbursements and trouble tickets with disbursement holds.

Owner

Name withheld

Expert

Name withheld

Policy

1.0 Overview

- a** When there is a credit on a customer's account, it's first allocated to any outstanding invoices. If there is a remaining credit balance, ACC will attempt to refund the relevant amount as a disbursement.
- b** ACC's policy is to refund the disbursement to:
 - the same bank account from which any levies were direct debited from, or
 - if there is no direct debit, a bank account nominated by the customer.

There are some exceptions to this policy - refer to section 5.0 Disbursements to a third party and inactive accounts.
- c** If we already have an active direct debit bank account loaded, then:
 - the refund must go to this bank account
 - we cannot send the customer's refund to an alternative account.
- d** If there is no existing bank account, Juno Billing Centre will automatically issue correspondence (e.g. an email or letter) notifying the customer of the refund and requesting they provide a bank account.
- e** A customer cannot receive disbursements by cheque. Refer to section 4.0 Disbursements by cheque.
- f** If a trouble ticket with a disbursement hold is applied to a customer's account in Juno Billing Centre, no disbursements will be issued.
- g** In Juno, it is not possible to split the total credit on the account into more than one disbursement. For example, if there is a company with two shareholders and they each want to receive half of the refund, we cannot issue two refunds giving them half each.
- h** For information on the timeframes for customers to receive their refunds, refer to Levy Disbursement Timeframes Policy.

[Levy Disbursement Timeframes Policy](#)

2.0 Disbursements by direct credit

- a** If a customer has a Direct Debit Payment Plan in place, Juno Billing Center will automatically use the direct debit bank account number on record, to issue disbursements as a direct credit.
- b** If a customer has a Direct Debit Payment Plan in place and wants to change the bank account they receive a direct credit to, they must also change their direct debit bank account.

NOTE What if you need to update a customer's direct debit bank account number?

Go to Create or Maintain Levy Payment Information.

PROCESS Create or Maintain Levy Payment Information

- c** If there's no existing bank account, we can add a bank account to be used for disbursements only.

NOTE What if you need to update a customer's disbursement only bank account number?

Go to Maintain Levy Disbursement Information.

PROCESS Maintain Levy Disbursement Information

3.0 Paperless 'disbursement only' bank account change criteria

- a** To accept a paperless 'disbursement only' bank account over the phone, the criteria in steps (3.0) b to j below must be met.
- b** The customer or third party (e.g. an accountant) must be authorised on the account.
- c** The customer or an authorised third party must be willing to provide the customer's bank account details over the phone.
- d** The customer must NOT have an active direct debit bank account.
- e** For a self-employed individual's account, they may use a bank account:
 - in the customer's personal name, including a joint bank account
 - in the trading name of the customer's business (if this is noted on their ACC account)
 - in the name of the customer's company (if their ACC account is linked to the company, e.g. the customer is a shareholder).
- f** For an organisation/company account:
 - the company must be active on the Companies Register
 - the customer or an authorised third party must provide a bank account that either:
 - matches the ACC account name
 - is an account for a sole shareholder of the relevant company, as confirmed on the Companies Register
 - is a joint account for two shareholders of the relevant company, as confirmed on the Companies Register.

NOTE What if the company doesn't have a bank account in the name of the company and the above three points do not apply?

In this case, we can use the details of a different bank account (i.e. a shareholder's personal bank account). However, this must be requested in writing and must include confirmation that all other shareholders of the company consent to any credits being refunded into that bank account.

NOTE If the company/organisation is removed from the Companies Register, refer to the Levy Disbursements for Removed Companies Policy.

PROCESS Levy Disbursements for Removed Companies Policy

- g** For a partnership account, the provided bank account must match the partnership's ACC account name.

NOTE What if the partnership doesn't have a bank account in its name?

In this case, we can use the details of a different bank account (i.e. a partner's personal bank account). However, this must be requested in writing and must include confirmation that all partners of the partnership consent to any credits being refunded into that bank account

- h** For a trust, the provided bank account must match the trust's ACC account name.

NOTE What if the trust doesn't have bank account in its name?

In this case, we can use the details of a different bank account (i.e. a trustee's personal bank account).

However, this must be requested in writing and must include confirmation that all trustees of the trust consent to any credits being refunded into that bank account.

- i** Once the customer or authorised party has provided the disbursement bank account details, you must repeat the bank account name and bank account number back to them, to confirm it's accurate.
- j** You need to record the bank account name and number in your CRM interaction, as well entering the details in Juno Billing Center.

4.0 Disbursements by cheque

- a** As of 01 March 2020, ACC no longer pays any disbursement by cheque.

5.0 Disbursements to a third party and inactive accounts

- a** When an account has ceased, or is in the process of ceasing, it may not be possible to disburse outstanding credits as per the standard policy. In these scenarios, a third party (e.g., customer's agent, estate, liquidator, or Treasury) can receive a direct credit disbursement on behalf of the customer. The direct credit can be issued to an authorised third party "Disbursement only" bank account, as long as any active direct debit bank account is end-dated.
- b** If the disbursement is to a customer's agent, then the agent needs to supply a copy of an authority to act, client engagement form, or similar documentation, that proves their client has authorised them to receive refunds from ACC on their behalf.
- c** If there is no active bank account loaded, we can add a bank account for a nominated third party (e.g. an agent). Once the disbursement has been paid to the third party, we must end date the bank account.
- d** To direct credit a disbursement to a different bank account than the direct debit bank account for an inactive account (e.g., to a deceased self-employed customer, a company in liquidation, a company who has ceased trading, a struck-off/removed company, or a closed partnership account), we must:
 - 1) validate the relevant bank account details
 - 2) end date any active bank accounts on the customer's account
 - 3) set up a 'disbursement only' bank account.
- e** Refer to Levy Disbursements for Removed Companies Policy.

 Levy Disbursements for Removed Companies Policy


6.0 Manual Disbursements

- a** A manual disbursement can be created in the following situations:
 - to fast-track a disbursement (refer to Levy Disbursements Timeframes Policy for the rules around fast-track disbursements)
 - after Collections and Recovery investigate a 'Disbursement Excluded' Activity but determine that there's no reversal needed
 - if the credit balance on the customer's account is less than \$20 (which won't be automatically disbursed) and the customer requests it to be refunded.

 Levy Disbursements Timeframes Policy

NOTE What if you need information on creating a manual and/or fast-track disbursement?

Go to Create Levy Disbursements (Manual).

 **PROCESS** Create Levy Disbursement (Manual)

NOTE What if you need information on how the system automatically processes disbursements?

Go to Create Levy Disbursements (System).

 **PROCESS** Create Levy Disbursement (System)

7.0 Multiple disbursements

- a** The standard policy is not to merge multiple disbursements into one disbursement.
- b** If the customer has multiple disbursements being processed separately, leave them to be processed as individual amounts (e.g., don't cancel each individual disbursement to issue one disbursement for the total credit). This is so we don't delay any of the customer's total disbursement amount.
- c** Exceptions to the above points include:
 - if you are performing a manual disbursement (e.g. fast-tracking a disbursement). Refer to Levy Disbursements Timeframes Policy for the rules around fast-track disbursements.
 - if the customer specifically asks for them to be paid as one amount.

8.0 Trouble tickets with disbursement holds

- a** Trouble tickets with disbursement holds in Juno Billing Centre are to be used when we want to stop any disbursements from being issued to the customer.
- b** You should apply a trouble ticket with disbursement holds in the following situations:
 - when a DFA approval needs investigation
 - when we're waiting for a direct credit bank account number to be supplied
 - when a CPX policy was paid after the due date but will be reinstated
 - when the Levy Classification team are completing historic reassessments
 - when a request to transfer funds to another account is underway
 - any other situation where you need to prevent the disbursement from being processed.
- c** Trouble tickets with a disbursement hold will prevent any disbursements from being issued, as long as they do not already have a status of 'Issued'.
- d** Check the Trouble Ticket Guide for guidance on selecting the appropriate trouble ticket type and setting appropriate due dates for the different scenarios.

9.0 Reference

- a Refer to the following resources for more information.

NOTE What do the disbursement/tracking statuses in the system mean?

Disbursement statuses:

- [Awaiting Approval]: Disbursement has been requested and is waiting for approval.
- [Approved]: Disbursement has been approved and will be direct credited on the 'Due Date'.
- [Rejected]: Disbursement has been rejected (i.e. it wasn't approved) by a staff member (typically the staff member will leave a note indicating the reason it was rejected). Automatic disbursements can be rejected when a new invoice is generated. As when the automatic disbursement job runs, it will mark the disbursement as 'Rejected' and apply the credit on the account against the new balance.
- [Reapplied]: For manual disbursements, when the disbursement amount gets applied to a new debit/invoice. I.e. when there is a new outstanding amount on the account before the disbursement is sent.
- [Sent]: applies to disbursements which were sent to the customer via a cheque (prior to 01 March 2020).
- [Voided]: Disbursement was 'Sent' via a cheque but has been 'Voided' either by 'Finance' or 'Batch Job' (The customer would not have received the refund).

Please note, since 01 March 2020, disbursement cheques are rarely issued and only in exceptional circumstances.

Cheque tracking statuses:

- [Draft]: File has been sent to Integration for processing.
- [Issued]: Once the disbursement has been processed by Integration, the 'Tracking Status' changes from 'Draft' to 'Issued' (i.e. the file has been sent to either the bank or mail-house).
- [Cleared]: If the disbursement is issued via a cheque and it's been presented, this will change from 'Issued' to 'Cleared'. The Status will remain as 'Sent'.
- [Pending Void]: This is created by 'Batch Job' - [ACC Void Stale Cheques]. Selects all the cheques that are past 180 days from the date of 'Issued' that need to be voided. It will update the Tracking Status from 'Issued' to 'Pending Void'.
- [Voided]: Disbursement is 'Voided' - either by 'Batch job' or 'Finance Team' (customer would not have received the refund).

10.0 Disbursements to overseas bank accounts

- a When a customer resides overseas and does not have access to a New Zealand bank account (i.e. an account in their name and they don't have a family member or friend with a New Zealand bank account, who is willing to accept the disbursement on their behalf), we can offer to do an international bank transfer.
- b To enable ACC to validate the customer's offshore account information; proof of this bank account is needed such as a bank statement, screenshot of their internet banking, or a deposit slip. This proof needs to include the BSB, IBAN, ABA or similar number, depending on which country their bank is in.
- c Once proof is received, fill in the 'ACC Levy Request for Overseas Payment' form.

 ACC Levy Request for Overseas Payment form.doc

- d If the requestor (i.e. staff member) is outside of the Call Centre (for example Policy Administration, Levy Classification, or BCO), this form needs to be signed by a Team Leader. The Team Leader can then send the form to Accounts Receivable to process.
- e If the requestor is from the Call Centre and the refund is <\$1,000 (i.e. within Delegated Financial Authority (DFA) 1), the form needs to be signed by a Channel Support Advisor. The Channel Support Advisor can then send the form to Accounts Receivable to process.
- f If the refund is >\$1,000 (i.e. outside the Channel Support Advisor's DFA1), send an email to the Levy Classification team (levyclassification@acc.co.nz), including all the details and proof of bank account. The Levy Classification team will investigate the disbursement and fill out the form (their team leader will then sign the form and send it to Accounts Receivable to process).