



He Kaupare. He Manaaki. He Whakaora.
Prevention. Care. Recovery.

Experience Rating for your clients



Each year, New Zealand businesses receive their ACC Work levy invoice. The levy helps fund workplace injury cover for employees.

Healthier, safer workplaces

We want all workplaces in New Zealand to be as safe as possible. Healthy, safe workplaces are likely to have fewer claims and staff days off. Experience Rating is designed to help encourage businesses to ensure the health and safety of their people is even more of a priority. It aims to make what your clients pay fairer by reflecting their health and safety performance — businesses with less frequent and severe claims than their industry peers get a greater discount.

Take a closer look. Is your client's business part of Experience Rating?

Check the ACC Calculations section on the back of your client's invoice. It tells you whether their business is part of Experience Rating and if they're getting a discount or a loading on their total.

Note:

The information in this brochure explains Experience Rating for your clients who are **not** part of a business group. When businesses share common ownership, we group them together. Their Experience Rating adjustment is calculated based on the performance of their business group. You can see how we calculate the adjustment for your business group clients at acc.co.nz/er.

Experience Rating is part of the ACC Work levy

There are a few steps to calculate a businesses' ACC Work levy and, for some, 'Experience Rating' is one of them.

Sample Invoice

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Invoice Calculation

Payroll declared to Inland Revenue and ACC

Employee payroll

2023/24

Gross filed payroll

\$1,573,328.88

Payroll not liable

\$0.00

Total schedular payments

\$0.00

Payroll paid over ACC max

(\$6,923.47)

1st week payments to injured employees or multiple employer earnings adjustment

\$0.00

Subsequent week payments reimbursed by ACC

\$0.00

Total liable payroll

\$1,566,405.41

Total adjusted liable payroll - Includes 2.8% adjustment for inflation

\$1,610,264.76

ACC Calculations

Final levy - based on your total liable payroll
Cover period for 1 April 2023 to 31 March 2024

Work Account levy

CU 42320 - \$0.66 per \$100

\$10,338.28

Experience Rating discount of 20%

(\$2,067.66)

Working Safer levy

\$0.08 per \$100

\$1,253.12

Subtotal (excl GST)

\$9,523.74

GST

\$1,428.56

Less 2024 Provisional levy (incl GST)

(\$9,665.18)

Final levy for 2024

\$1,287.12

This includes an increase in GST of \$167.88 from your previous invoice.

Provisional levy - based on your total adjusted liable payroll
Cover period for 1 April 2024 to 31 March 2025

Work Account levy

CU 42320 - \$0.66 per \$100

\$10,627.75

Experience Rating loading of 30%

\$3,188.33

Subtotal (excl GST)

\$13,816.08

GST

\$2,072.41

Provisional levy for 2025

\$15,888.49

Final levy for 2024

\$1,287.12

Provisional levy for 2025

\$15,888.49

Invoice amount

\$17,175.61

For more information about your ACC invoices go to [acc.co.nz/yourinvoice](#)

Easy ways to pay

Internet Banking

To pay by internet banking please use the following details:

Bank Account

Payee Code

Ref

Credit/debit card

Visit [acc.co.nz/paylevy](#) and pay with your credit/debit card.

Online Direct Debit

To pay your invoice by direct debit or set up a monthly instalment, please use MyACC for Business by visiting [business.acc.co.nz](#)

Pay in person

Present your invoice at any Westpac ATM.

If you have any questions or concerns about your invoice, please use our online Live Chat function in MyACC for Business. If, after talking to us you are still not happy, you can apply for an independent review. If you want a review, you must apply in writing within three months from the date you receive your invoice. Application forms can be found at [acc.co.nz/ACC33](#), or email [business@acc.co.nz](#)

Experience Rating for your clients

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Work Account levy

CU 42320 - \$0.66 per \$100

\$10,338.28

First, you'll see a Work Account levy amount

This is a base calculation that takes into account the business activity they undertake and the total liable earnings of all their employees.

CU 42320 - \$0.66 per \$100

\$10,627.75

Experience Rating loading of 30%

\$3,188.33

For some businesses, an Experience Rating adjustment is applied

This additional adjustment helps determine your client's ACC Work Levy total. Their business is part of Experience Rating if:

- They paid a Work Account levy of \$10,000 or more a year for three years in a row.

Immediately after those three years there will be one 'gap year' before the business becomes part of Experience Rating, as ACC finalises claims data and other information.

Working Safer levy

\$0.08 per \$100

\$1,253.12

A Working Safer levy is also added

We collect this on behalf of the Ministry of Business, Innovation and Employment to support the activities of WorkSafe, which is New Zealand's workplace health and safety regulator.

For instance...

To be part of Experience Rating in the 2025 levy year, your client's business would have paid an ACC Work Account levy of \$10,000 or more during the 2021, 2022 and 2023 levy years.

How Experience Rating works

Older claims, lesser influence

Experience Rating is calculated on your client's claims for any work-related injuries over a three-year period.

Each year will have its own weighting, so your client's business' older claims will have less bearing on their Experience Rating adjustment:

- 100% weighting will be given to claims made during the most recent completed year — Year 1.
- 70% weighting will be given to claims made during the previous year — Year 2.
- 40% weighting will be given to claims made during the year prior — Year 3.

Impact of fatal claims

Fatal claims have a greater influence on a business' Work levy.

If a workplace experiences one or more fatalities within the most recent Experience Period year, a 20% increase will be added to their Experience Rating. This becomes 10% the following year if there are no further fatal claims.

If there are fatal claims in the two most recent Experience Period years, the customer will receive maximum adjustment of 20%.

This adjustment took effect from 1 April 2023 and is a financial incentive for employers to continue their efforts to improve workplace safety and to prevent loss of life.

Discounts and loadings, in increments

Your clients may see variations in their year-on-year Experience Rating adjustment, and this will affect the levy they pay.

Their Experience Rating calculation will be placed in a band, shown in the table on the following page. Their position within a band will give them an insight into how they could act to influence future discounts and loadings.

If your client's calculation sits:

- In the middle of a band — they can be reasonably confident that if they continue with their current level of health and safety performance, their discount or loading will not change.
- Near the top of a discount band - they'll see that a further improvement in their health and safety performance may lead to a higher level of discount.
- Near the top end of a loading band - if they don't improve their health and safety performance, it may lead to a greater loading.

This table shows the Experience Rating bands and how they affect your client's final discount or loading.

	Experience Rating bands	Final discount/loading
Discount	>= -45	-50%
	< -45 to -35	-40%
	< -35 to -25	-30%
	< -25 to -15	-20%
	< -15 to -5	-10%
Neutral	> -5 to 5	0%
Loading	>5 to 15	+10%
	>15 to 25	+20%
	>25 to 35	+30%
	>35 to 45	+40%
	>45 to 55	+50%
	>55 to 65	+60%
	>65 to 75	+70%
	>75 to 85	+80%
	>85 to 95	+90%
	>95	+100%

How Experience Rating is calculated and applied

There are four main steps to calculating and applying your client's Experience Rating.

MyACC for Business is a great online tool your client can use to manage their claims and support employees in their journey to recovery.

It's the only place where they can see in detail how their employees' claims and compensation days are used to calculate their Experience Rating adjustment.

Register for MyACC for Business by visiting business.acc.co.nz/register

Step 1.

We take three pieces of information from claims which occurred in their workplace

- Number of weekly compensation days for their employees
- Number of claims for their employees with medical costs \$750+
- Fatal claims.

Step 2.

Your client's claims and return to work performance is compared against its industry using two rates. This is used to determine their Experience Rating calculation.

Risk Management Rate

This is the number of claims with medical costs greater than \$750 per \$1 million liable earnings in their industry. Two rates are calculated reflecting:

- Their business' claims record
- The number of claims in their industry.

Rehabilitation Rate

The number of weekly compensation days (for qualifying claims) per \$1 million liable earnings in their industry. Again, we calculate two rates, one for your client's business and one for their industry.

Step 3.

A loading is added for any fatal claims. If there are none, the Experience Rating calculation continues as normal.

At this step of the calculation...

A greater weighting has been given to your client's most recent completed year's performance, and less to earlier claims.

For a fatal claim in the most recent Experience Period year, a 20% increase is included on top of the loading or discount.

This becomes 10% in the second year. In the third year it is treated as a claim with medical costs over \$750.

If there are fatal claims in the two most recent Experience Period years, a maximum 20% increase is added.

Your client's Experience Rating calculation

Your client's performance against the Risk Management and Rehabilitation rates helps determine their Experience Rating calculation and whether your client is likely to receive a discount or loading.

Step 4.

To work out the amount of your client's final discount or loading we place their Experience Rating calculation into an Experience Rating band, using the table on the previous page.

A few more things for you to know about

What your client's ACC Work levy covers

This levy helps fund workplace injury cover for employees. If an employee has an accident, we help pay for and support their recovery, including treatment, health, rehabilitation and support services, support returning to work, loss of income or financial help. We also fund injury prevention in the workplace and community.

Has your client registered for MyACC for Business yet?

They can get more detail about how their levy is calculated, view their invoice, and set up payment plans. They can also view injured employees' work-related claims, including work capacity and any work restrictions they might have. They can use this to help support your employees' safe recovery at work.

They can register now by visiting
business.acc.co.nz





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If you have any questions about Experience
Rating, please contact our business team on
0800 222 776 or email us at er@acc.co.nz.
acc.co.nz/er