

**EXPOSURE DRAFT - FOR COMMENT AND DISCUSSION ONLY | HUKIHUKI HURANGA  
- MŌ TE TĀKUPU ME TE MATAPAKI ANAKE**

Deadline for comment | Aukatinga mō te tākupu: **27 June 2025**

Please quote reference | Whakahuatia te tohutoro: **PUB00496**

Send feedback to | Tukuna mai ngā whakahokinga kōrero ki  
[public.consultation@ird.govt.nz](mailto:public.consultation@ird.govt.nz)

**QUESTIONS WE'VE BEEN ASKED | PĀTAI KUA UIA MAI**

## **GST listed services rules: When is a supply of listed services made through an electronic marketplace?**

Issued | Tukuna: Issue date style

**QB XX/XX**

This question we've been asked (QWBA) discusses one of the key requirements for when the GST listed services rules apply. That is, the supply must be made by an underlying supplier to a recipient through an electronic marketplace operator. It explains that this requirement is satisfied when the marketplace is involved in, and facilitates, supplies between underlying suppliers and recipients.

For information on how the GST listed services rules apply generally, see:

- [GST on listed services](#) Inland Revenue's web guidance on the listed services rules, including fact sheets applicable to underlying suppliers, listing intermediaries and electronic marketplaces.
- Inland Revenue's special report: [GST on accommodation and transportation services supplied through online marketplaces](#).

## Question | Pātai

When is a supply of listed services made “through” an electronic marketplace?

## Answer | Whakautu

An underlying supplier supplies listed services to a recipient “through” an electronic marketplace operator when the marketplace is involved in, and facilitates, supplies between underlying suppliers and recipients. Supplies of listed services are not made through an electronic marketplace when a platform advertises on behalf, redirects customers to the underlying suppliers’ own websites or makes its own supplies to customers.

## Key terms | Kīanga tau tāpua

**Electronic marketplace** means a marketplace operated by electronic means, by which the underlying supplier makes a supply of listed services through the marketplace operator to the recipient.

**Listed services** means a supply performed, provided or received in New Zealand of either:

- accommodation services, other than an exempt supply under s 14(1); or
- transport services in the form of ride-sharing or ride-hailing services, or delivery services for food, beverages or both.

**Listing intermediary** means a person (eg, a property manager) that lists accommodation services on an electronic marketplace on behalf of underlying suppliers.

**Underlying supplier** means the person supplying the listed services, such as the accommodation owner or the driver or deliverer.

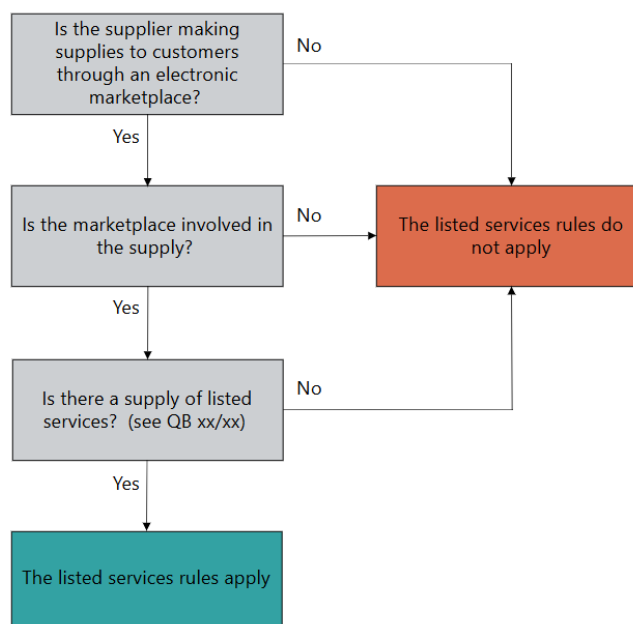
## Explanation | Whakamāramatanga

1. All legislative references are to the Goods and Services Tax Act 1985.
2. The GST listed services rules apply when underlying suppliers (eg, drivers and accommodation owners) supply listed services to a recipient through an electronic marketplace operator.
3. When the rules apply, a supply of listed services is generally treated as being two supplies. The first supply is from the underlying supplier to the marketplace (which is

zero-rated if the underlying supplier is GST-registered), and the second supply is from the marketplace to the recipient. The marketplace must account for GST on the supply it is treated as making to the recipient and pay a flat-rate credit to any underlying suppliers that are not GST-registered.

4. When a listing intermediary is involved, the supply of listed services is generally treated as being three supplies. The first supply is from the underlying supplier to the listing intermediary (which is zero-rated if the underlying supplier is GST-registered), the second supply is from the listing intermediary to the marketplace (which is also zero-rated), and the third supply is from the marketplace to the recipient. The marketplace must account for GST on the supply it is treated as making to the recipient. The listing intermediary pays a flat-rate credit to any underlying suppliers that are not GST-registered.
5. Therefore, electronic marketplaces, underlying suppliers (eg, drivers and accommodation owners) and listing intermediaries (property managers or agents) need to know whether a supply will be subject to the listed services rules, as this affects who is liable to account for GST on the supply.
6. This QWBA explains when a supply is made “through” an electronic marketplace. It explains when an electronic marketplace exists, when the marketplace is involved in a supply, and what happens when multiple marketplaces or listing intermediaries are involved.
7. A related QWBA (QB xx/xx **GST listed services: How do the listed services rules apply when there is a supply of listed services and other goods or services?**) explains how the rules apply when there is a supply of both listed services and other goods or services.
8. Figure | Hoahoa 1 illustrates the issues addressed by these two QWBAs.

**Figure | Hoahoa 1 – When the listed services rules apply**



## The supply must be made through the marketplace

9. For a supply of listed services to be subject to the listed services rules, it needs to be made through an electronic marketplace. There are various websites, apps or platforms that form part of the wider platform economy that may not meet the definition of an electronic marketplace.
10. An electronic marketplace is a marketplace that is operated by electronic means, by which the underlying supplier makes a supply of listed services through the marketplace operator to the recipient. It includes a website, internet portal, gateway, store, distribution platform, or other similar marketplace (which this QWBA refers to collectively as a “platform” for convenience). It does not include a marketplace that solely processes payments.<sup>1</sup>
11. A marketplace is a space where people gather for the purchase and sale of goods and services or conducting of commercial dealings.<sup>2</sup> The underlying supplier must make supplies “through” the marketplace operator to the recipient of the supply. This means that the underlying supplier must make the supply to the recipient “by means of” the

<sup>1</sup> Definition of “electronic marketplace” in s 2.

<sup>2</sup> *Concise Oxford English Dictionary* (12th edition, 2011) definitions of “market” and “marketplace”.

marketplace operator.<sup>3</sup> That is, the marketplace is involved in facilitating the supplies between underlying suppliers and customers.

12. Supplies are made through an electronic marketplace where:
- there is a marketplace connecting buyers and sellers;
  - the marketplace is operated electronically, through a website, internet portal, gateway, store, distribution platform or other similar type of marketplace; and
  - underlying suppliers make supplies to recipients through the marketplace - that is, recipients access the relevant goods and services using the marketplace, rather than through the underlying suppliers' own websites.
13. Supplies are not made through an electronic marketplace where:
- the customer purchases goods or services through a physical store or by phone;
  - the platform makes its own supplies (eg, by employing or contracting its own drivers) rather than connecting underlying suppliers to customers;
  - the platform only advertises on behalf of underlying suppliers, or directs customers back to the underlying supplier's own website to make the purchase; or
  - the marketplace solely processes payments with no other involvement in the supply of services to customers.
14. Example | Tauira 1, Example | Tauira 2 and Example | Tauira 3 illustrate situations where the requirements of an electronic marketplace are not satisfied and the listed services rules do not apply.

**Example | Tauira 1 – Platform redirecting to underlying supplier's website is not an electronic marketplace**

EcoExplorer is a website that showcases different eco-friendly accommodation options throughout New Zealand. EcoExplorer advertises holiday homes provided by accommodation owners that meet relevant credentials.

Eli has off-grid tiny homes that he advertises on EcoExplorer.

When customers access EcoExplorer, the platform redirects them to Eli's own website. Customers do not make bookings through EcoExplorer. Therefore, Eli is not supplying accommodation through an electronic marketplace.

---

<sup>3</sup> Concise Oxford English Dictionary definition of "through".

**Example | Tauira 2 – Platform providing its own services is not an electronic marketplace**

Deli-veries is a platform that provides delivery services for delis across New Zealand. A customer uses the platform to place an order for food or beverages from a particular deli, and Deli-veries arranges the delivery to the customer. Deli-veries hires its own drivers, so the drivers have a contractual arrangement with Deli-veries rather than the customers.

The relevant listed service is the delivery service for the food and beverages. While food and beverages are supplied by delis to customers through Deli-veries, the relevant supply for these purposes is the delivery services. Deli-veries is making the supplies of delivery services to customers because it has the relevant contractual arrangements with both the customers and the drivers. Deli-veries is not connecting the delivery drivers with customers. Therefore, Deli-veries is not subject to the listed services rules.

**Example | Tauira 3 – Use of a booking system is not an electronic marketplace**

Eli from Example | Tauira 1 has his own website where customers book to stay in his off-grid tiny homes.

His listings become popular after a social media post about one of his off-grid tiny homes goes viral. To help keep on top of all the bookings, Eli uses booking management software provided by BookMyTinyHome.

BookMyTinyHome is an inventory management tool, and is supplying software services to Eli. It is not making supplies to Eli's customers and is not connecting underlying suppliers and customers together. The customers make the booking directly with Eli through his website using the online booking system.

Neither Eli's website, nor BookMyTinyHome, is an electronic marketplace as they are not platforms through which supplies are made between underlying suppliers and customers.

## The marketplace needs to be involved in the supply

15. Even if a supply is made through an electronic marketplace, the listed services rules may not apply if the marketplace has no involvement in the supply.<sup>4</sup> For these purposes, a marketplace is involved in the supply if it:
- authorises the charge for the supply to the recipient (eg, it communicates to the recipient that they have a liability to pay for the supply);
  - makes or authorises the delivery of the supply to the recipient; or
  - directly or indirectly sets a term or condition under which the supply is made (eg, the marketplace has listing policies that an underlying supplier must satisfy).<sup>5</sup>
16. For the listed services rules to not apply, the documentation also needs to identify the supply as being made by the underlying supplier, and the underlying supplier and marketplace need to agree that the underlying supplier is liable for GST.

## What happens when multiple marketplaces are involved in a supply

17. When a supply is made through multiple marketplaces, sometimes it might not be clear which marketplace operator is involved in the supply. In this situation, there is an ordering rule to work out which marketplace operator is treated as the supplier and liable to return the GST.<sup>6</sup> Under this rule, it is the first marketplace operator that authorises the charge or receives the consideration for the supply that is treated as the supplier for GST purposes.
- It should be clear which marketplace first receives consideration for the supply. Inland Revenue's special report: [GST on accommodation and transportation services supplied through online marketplaces](#) gives an explanation of the intended meaning of "authorise the charge" from 16. In summary, this involves communicating the liability to pay for the services to the customer.
18. This ordering rule only applies where multiple marketplaces are involved. If listing intermediaries are involved, they do not count as multiple marketplaces.

---

<sup>4</sup> Section 60C(2B).

<sup>5</sup> For more explanation of these phrases, see Inland Revenue's special report [GST on accommodation and transportation services supplied through online marketplaces](#) from 16.

<sup>6</sup> Section 60C(3).

## Whether a property manager is a listing intermediary or a marketplace

19. There are different rules for how to treat supplies when a listing intermediary is involved.<sup>7</sup> A property manager or agent is a listing intermediary if they list accommodation services on behalf of underlying suppliers on an electronic marketplace. A listing intermediary is not an electronic marketplace.
20. For a detailed explanation of the rules that apply to listing intermediaries see Inland Revenue's special report from 44 and IR's web guidance for listing intermediaries: [listing intermediary rules](#). In summary, as noted at [4], there are deemed to be three supplies when a listing intermediary is involved (a supply from the underlying supplier to the listing intermediary; a supply from the listing intermediary to the marketplace; and a supply from the marketplace to the customer). The main difference is that where an underlying supplier is not registered for GST, the listing intermediary (rather than the marketplace) is responsible for claiming input tax and paying flat rate credits to those underlying suppliers.
21. Some property managers have their own websites through which they take bookings for supplies of accommodation listed by their clients. For these supplies, a property manager will be an electronic marketplace rather than a listing intermediary.
22. Property managers who are listing intermediaries and also have an electronic marketplace need to keep track of the different types of supplies and work out, for each supply, whether they are acting as an electronic marketplace or a listing intermediary. When they are acting as an electronic marketplace, they need to return GST for those supplies. Example | Tauira 4 illustrates when a property manager is a listing intermediary and when it is an electronic marketplace.

### Example | Tauira 4 - A property manager that is a listing intermediary for some supplies and an electronic marketplace for other supplies

BachBooking is a property manager with a large number of clients that own properties used for short stay accommodation. BachBooking undertakes a variety of services for its clients including cleaning, property management and booking services.

BachBooking has its own website through which the underlying suppliers can list their properties and customers can book the properties. BachBooking also lists all of its clients' properties on a New Zealand based marketplace, Shortstaycations.

---

<sup>7</sup> Section 60CB(2).



When properties are listed and booked through Shortstaycations, BachBooking is operating as a listing intermediary. Shortstaycations is the relevant electronic marketplace and must return GST.

When properties are booked directly through BachBooking, BachBooking is operating as an electronic marketplace and must return GST.

*Draft items produced by the Tax Counsel Office represent the preliminary, though considered, views of the Commissioner of Inland Revenue.*

*In draft form these items may not be relied on by taxation officers, taxpayers, or practitioners. Only finalised items represent authoritative statements by Inland Revenue of its stance on the particular issues covered.*

Send feedback to | Tukuna mai ngā whakahokinga kōrero ki  
[public.consultation@ird.govt.nz](mailto:public.consultation@ird.govt.nz)

## References | Tohutoro

### Legislative references | Tohutoro whakatureture

Goods and Services Tax Act 1985 – ss 2 ( “electronic marketplace”), 8C, 60C, 60CB.

### Other references | Tohutoro anō

*Concise Oxford English Dictionary* (12<sup>th</sup> ed, Oxford University Press, 2011)

*GST on accommodation and transportation services supplied through online marketplace* (special report, Inland Revenue, 2025)

[taxpolicy.ird.govt.nz/publications/2025/sr-marketplace-rules-listed-services](https://taxpolicy.ird.govt.nz/publications/2025/sr-marketplace-rules-listed-services)

GST on listed services r (webpage, Inland Revenue, 2025)

[ird.govt.nz/sharing-economy/online-marketplaces/gst-on-listed-services](https://ird.govt.nz/sharing-economy/online-marketplaces/gst-on-listed-services)

## About this document | Mō tēnei tuhinga

Questions we've been asked (QWBAs) are issued by the Tax Counsel Office. QWBAs answer specific tax questions we have been asked that may be of general interest to taxpayers. While they set out the Commissioner's considered views, QWBAs are not binding on the Commissioner. However, taxpayers can generally rely on them in determining their tax affairs. See further [Status of Commissioner's advice](#) (Commissioner's statement, Inland Revenue, December 2012). It is important to note that a general similarity between a taxpayer's circumstances and an example in a QWBA will not necessarily lead to the same tax result. Each case must be considered on its own facts.