

Public Guidance Work Programme 2020-21



Monthly update – position as at 8 July 2021

Public items are summarised below based on their current status and any changes since the last update are shown in bold font. Items we have completed are noted at the bottom of the list with references to the finalised item. Further information is provided in a more detailed table immediately below. This is the last update for the 2020/21 work programme. A new programme will be available in August. If you have any queries or feedback about the Public Guidance Work Programme, please email public.consultation@ird.govt.nz.

Project no.	Title	Focus of tax issue						Need for item		
		Company	Trust	Individual	Land	Inter-national	Charities	Technical uncertainty	Compliance / education	Refresh / update
Items where external consultation has closed										
PUB00290	GST and Income tax – Treatment of bloodstock breeding partnerships			✓				✓	✓	
PUB00256	GST – Compulsory zero-rating rules – When does s 5(23) apply to shift GST liability to the purchaser of land?	✓	✓	✓	✓			✓		
PUB00361	Income tax – Deductions – Meal expenses			✓					✓	
PUB00365	Income tax – Income – Income from online sponsorship and patronage			✓					✓	
PUB00305	Income tax – Tax avoidance – Review of Interpretation Statement on the application of ss BG 1 and GA 1	✓	✓	✓				✓		✓
Items currently at external consultation										
PUB00390	GST – Definition of “resident” – updating 1994 TIB statement			✓		✓		✓		✓
PUB00391	Income tax – Apportioning expenditure for motel / hotel owners claiming business portion of personal accommodation	✓		✓					✓	✓
PUB00376	Income tax – Loss continuity proposals	✓						✓	✓	
Items currently in progress										
PUB00389	GST – Bodies corporate – clarifying some issues concerning transactions between the body corporate and its members	✓		✓				✓	✓	
PUB00357	GST – Leases – Difference between hire purchase agreements and agreements to hire	✓						✓		
PUB00392	Income tax – Charities – apportioning business income under s CW 42 where purposes are not limited to New Zealand		✓				✓	✓	✓	
PUB00274	Income tax – Depreciation – Identifying items of depreciable property	✓						✓		
PUB00394	Income tax – Depreciation – Treatment of Government grants as they affect the cost base of assets	✓					✓	✓	✓	✓
PUB00395	Income tax – Depreciation – Update IS 10/02 on meaning of building	✓	✓	✓	✓			✓		✓
PUB00363	Income tax – DTA – Application of DTA to collective investment vehicles	✓	✓			✓		✓		
PUB00364	Income tax – Employee share schemes (some specific interpretive issues)	✓		✓				✓		
PUB00396	Income tax – Financial arrangements rules – changing status between cash basis and non-cash basis			✓		✓		✓	✓	

Project no.	Title	Focus of tax issue						Need for item		
		Company	Trust	Individual	Land	Inter-national	Charities	Technical uncertainty	Compliance / education	Refresh / update
PUB00370	Income tax – Tax credits – Segmentation of foreign sourced income	✓	✓	✓		✓		✓	✓	
PUB00400	Income tax – Short-stay accommodation where property owned by a company	✓	✓		✓			✓	✓	
PUB00372	Income tax – Tax credits – Meaning of public fund		✓				✓	✓	✓	
PUB00407	Income tax – Trusts – New Zealand – Australia DTA		✓			✓		✓		
PUB00375	Income tax – Trusts – Trust remedial issues		✓					✓		
Items not currently being worked on										
PUB00356	GST – Input tax – Registered members of unregistered unincorporated bodies			✓				✓		
PUB00340	GST and Income tax – Payments made by parents to early learning centres, kindergartens and home-based education providers			✓			✓	✓	✓	
PUB00341	GST and Income tax – Payments made by parents to private schools			✓			✓	✓	✓	
PUB00398	Income tax – Losses – Loss offsets between group companies	✓						✓	✓	
PUB00388	Income tax – Low value assets write-offs	✓		✓				✓	✓	
PUB00367	Income tax – Partnerships – Taxation of partnerships			✓				✓	✓	
PUB00399	Income tax – Promotional bodies and the s CW 40 exemption	✓	✓				✓	✓	✓	
PUB00371	Income tax – Tax credits – Gifting loyalty points	✓	✓					✓	✓	
PUB00335	Income tax – Withholding tax – New Zealand tax obligations for cross-border workers	✓		✓		✓		✓	✓	
Items on hold										
PUB00355	GST – Grouping – How the grouping rules operate	✓						✓		
PUB00322	GST – Grouping – Which entities can form a group	✓	✓	✓				✓		
PUB00330	GST – Input tax – Purchases of goods on deferred terms	✓	✓	✓				✓		
PUB00360	Income tax – Deductions – Apportionment of overseas travel expenses for private element	✓		✓					✓	✓
PUB00397	Income tax – Land – Apportioning expenses and the loss ring-fencing rules			✓	✓			✓	✓	
PUB00351	Income tax – Land – bright-line and certain family and close relationship transactions			✓	✓			✓		
PUB00266	Income tax – Payments derived from New Zealand by non-resident software suppliers	✓	✓	✓				✓		
Completed items from 1 July 2020										
PUB00327	GST – Agents and principals	✓		✓				✓		
PUB00383	GST – Compulsory zero-rating rules (leases)	✓	✓	✓	✓			✓		
PUB00381	GST – Compulsory zero-rating rules (meaning of “land”)	✓	✓	✓	✓			✓		
PUB00408	GST – Debt factoring and bad debts	✓	✓	✓						✓
PUB00329	GST – Definition of “dwelling”	✓	✓	✓	✓			✓		✓
PUB00386	GST – Not-for-profits – Elections for mixed-use assets						✓	✓	✓	
PUB00354	GST – Registration – Registering under s 54B of the GST Act.	✓				✓			✓	
PUB00332	GST – Unconditional gifts	✓	✓	✓			✓	✓		✓
PUB00382	GST and Income tax– Director’s liability and the COVID 19 “safe harbour” in schedule 12 of the Companies Act 1993	✓		✓					✓	

Project no.	Title	Focus of tax issue						Need for item		
		Company	Trust	Individual	Land	Inter-national	Charities	Technical uncertainty	Compliance / education	Refresh / update
PUB00321	Income tax – Attribution – calculation examples of rules contained in ss GB 27 to GB 29.	✓		✓				✓	✓	
PUB00359	Income tax – Charities – Charities and limited partnerships		✓				✓	✓		
PUB00384	Income tax – Cryptoassets - Tax treatment of cryptoassets received from blockchain forks and airdrops (issues paper)	✓	✓	✓				✓	✓	
PUB00393	Income tax – Deductibility of expenditure incurred during periods where business is suspended due to COVID-19	✓		✓				✓		
PUB00409	Income tax – Depreciation – Application dates	✓	✓	✓	✓			✓		
PUB00402	Income tax – Derivation – Income recognition and changes of accounting standards	✓	✓					✓	✓	
PUB00362	Income tax – Dividends – deemed dividends	✓		✓						✓
PUB00385	Income tax – Employee share schemes – Timing of employer’s income or expenditure under s DV 27	✓						✓	✓	
PUB00348	Income tax – Income – Pensions from the United Nations			✓		✓		✓	✓	✓
PUB00326	Income tax – Land – Work of a minor nature	✓	✓	✓	✓					✓
PUB00366	Income tax – Liquidation – long form liquidations	✓							✓	
ADV00097	Income tax – RWT and NRWT – whether withholding applies to “negative interest”	✓						✓		
PUB00310	Income tax – Tax credits – Overseas rental properties			✓	✓	✓		✓	✓	
PUB00405	Income tax – Tax treatment of cryptoassets received from blockchain forks and airdrops	✓	✓	✓				✓	✓	
PUB00374	Income tax – Trusts – Imputation credits and trust distributions		✓					✓		
PUB00339	Income tax – Trusts – New Zealand-Australia DTA (issues paper)		✓			✓		✓		

Detailed work programme

The following table contains more information about each item on the work programme including a brief explanation of the issue, the reason for the item and the expected progress of the item once it has been commenced. Items that have been completed are shaded light blue for ease of identification. Items that are on hold are shaded grey.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00327	GST – Agents and principals	Guidance on distinguishing when GST supplies are being made to or by an agent for a principal, or to or by a principal.	The item will support compliance and provide benefit to businesses across many different industries by helping them understand what capacity parties are acting in when they enter into agency like GST transactions.	Published as IS 21/01 in January 2021.
PUB00389	GST – Bodies corporate – clarifying some issues concerning transactions between the body corporate and its members	Guidance on a number of administrative GST issues affecting body corporates.	These issues are becoming more prevalent and affect a number of customers.	Scoping.
PUB00383	GST – Compulsory zero-rating rules (leases)	Guidance on the special CZR rules for leases.	The legislation is complex and this item will explain that with examples. See also PUB00381.	Published as QB 21/08 in June 2021.
PUB00381	GST – Compulsory zero-rating rules (meaning of “land”)	Guidance on whether supplies of transferable development rights, standing timber, the purchaser’s interest in a sale and purchase agreement for land, and grants of licences to use land wholly or partly consist of land for the CZR rules.	The treatment of certain transactions under the CZR rules is unclear and is causing confusion for IR, taxpayers and agents. This item would aim to resolve some of these uncertainties. See also PUB00383.	Published as QB 20/04 in December 2020.
PUB00256	GST – Compulsory zero-rating rules – When does s 5(23) apply to shift GST liability to the purchaser of land?	There are a number of interpretive issues with the CZR rules. This item will consider several issues that have arisen in practice.	The treatment of certain transactions under the CZR rules is unclear and is causing confusion for IR, taxpayers and agents. This item would aim to resolve some of these uncertainties. It will build on the analysis in IS 17/08 – <i>GST – compulsory zero-rating of land rules (general application)</i> .	External consultation closed 12 March 2021. Considering submissions.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00408	GST – Debt factoring and bad debts	Review of “BR PUB 06/01: Debt Factoring Arrangements and GST published in <i>Tax Information Bulletin</i> Vol 5 (June 2006) at page 26.	The public ruling needs updating to take into account legislative changes since 2006.	Published as BR PUB 21/03 in June 2021.
PUB00329	GST – Definition of “dwelling”	The definition of "dwelling" in s 2 of the GST Act refers to the Residential Tenancies Act 1986, including the requirement that the tenant has quiet enjoyment, as that term is used in section 38 of the Residential Tenancies Act 1986.	The relationship between the Residential Tenancies Act 1986 and the definition of “dwelling” needs to be clarified so people can determine whether the supply of accommodation is in a dwelling.	This project has been closed and referred to Policy in July 2020.
PUB00390	GST – Definition of “resident” – updating 1994 TIB statement	Review of “GST: the definition of resident” published in <i>Tax Information Bulletin</i> Vol 5, No 12 (May 1994) at page 5.	Following the publication of IS 18/07 “Goods and Services Tax – Zero-rating of services related to land”, it has been questioned whether the 1994 statement is still correct.	At external consultation until 9 July 2021.
PUB00355	GST – Grouping – How the grouping rules operate	How the grouping rules interact with other provisions in the GST Act. In particular, do the deeming rules in the grouping provisions apply to all of the provisions in the Act or are they limited to allowing consolidation of transactions in a GST return?	There is significant uncertainty around how the GST grouping rules apply in practice. This item will follow on from <i>Issues Paper IRRUIP 13: Consequences of GST group registration</i> .	Currently on hold pending policy consideration.
PUB00322	GST – Grouping – Which entities can form a group	In the course of PUB00257, the issue of which entities can group with other entities and the rules around this was identified as separate to the consequences of grouping. At this stage, a separate companion item is being prepared.	This issue was identified in PUB00257 and will be considered separately.	Currently on hold pending policy consideration.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00356	GST – Input tax – Registered members of unregistered unincorporated bodies	Whether registered members of unincorporated bodies can claim GST input tax when the body is not registered.	Like other persons, unincorporated bodies do not have to register for GST if their total supplies are under the registration threshold. Guidance is sought as to whether GST registered members of such a body can claim their share of any GST input tax paid by the body.	Scoped. Not currently allocated.
PUB00330	GST – Input tax deductions – Purchases of goods on deferred terms	The application of the GST rules for hire purchase agreements to purchases of goods on a deferred settlement basis or where the final purchase of goods is deferred in some way.	This issue was raised at a seminar on rural tax issues. The issue potentially arises where farmers purchase fertiliser on deferred terms before balance date, but also can apply more broadly in other situations where the final purchase of goods is deferred.	On hold pending policy consideration.
PUB00357	GST – Leases – Difference between hire purchase agreements and agreements to hire	Explain when lease arrangements are hire purchase agreements and when they are agreements to hire for GST purposes.	Update and replace <i>GST and finance leases - classification, method of accounting and treatment of residual value clause</i> in TIB Vol 8 No 1 (July 1996).	Considering issues.
PUB00386	GST – Not-for-profits – Elections for mixed-use assets	NFPs can elect to treat assets as outside of their taxable activity - but this needs to be before 1 April 2021.	Some guidance on the circumstances where NFPs can make the election could be provided.	Project closed. Need for guidance before 1 April 2021 not established.
PUB00354	GST – Registration – Registering under s 54B of the GST Act.	This section was introduced to provide non-residents with an avenue to register for GST so they can recover output tax that they have paid.	Following submissions on IS 18/07 - <i>Goods and services tax - zero-rating of services related to land</i> , there is uncertainty regarding the requirements and circumstances in which non-residents can register under s 54B. This item will provide examples to assist in understanding when and how the provision applies.	Published as IS 21/03 in May 2021.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00332	GST – Unconditional gifts	Review and update the guidance on “unconditional gifts” by including further guidance on the GST treatment in various common situations eg, grants by community trusts.	Appendix B to TIB Vol 2, No 4 (November 1990) explained the meaning of “unconditional gift” for GST purposes. A further item in TIB Vol 3, No 1 (July 1991) continued that explanation. These items will be combined into one updated item with more practical examples.	Published as IS 20/09 in December 2020.
PUB00382	GST and Income tax – Director’s liability and the COVID-19 “safe harbour” in Schedule 12 of the Companies Act 1993	Whether s HD 15 ITA 2007 or s 61 GSTA will apply to a director of a company that has been affected by Covid-19 and that relies on the safe harbour in schedule 12.	Concern that directors could be liable for a company’s tax where they have relied on the safe harbour and the business subsequently fails.	Published as BR Pub 20/06 in July 2020.
PUB00340	GST and Income tax – Payments made by parents to early learning centres, kindergartens and home-based education providers	Income tax and GST treatment of payments made by parents to early learning centres, kindergartens and home-based education providers, including koha payments.	This item follows clarification of payments by parents to state and state integrated schools (QB 18/10 , QB 18/11 and BR Pub 18/06). Recent court decisions will be reflected in the item. The item will consolidate and update various published statements and will consider subsidised early childhood education.	Scoped. Not currently allocated.
PUB00341	GST and Income tax – Payments made by parents to private schools	Income tax and GST treatment of payments made by parents to private schools.	This item follows clarification of payments by parents to state and state integrated schools (QB 18/10 , QB 18/11 and BR Pub 18/06). Recent court decisions will be reflected in the item.	Scoped. Not currently allocated.
PUB00290	GST and Income tax – Tax treatment of bloodstock breeding partnerships	Provide guidance on the income tax and GST treatment for taxpayers that invest in bloodstock breeding partnerships.	There has been some uncertainty among taxpayers as to how bloodstock breeding partnerships should be treated for income tax and GST purposes.	External consultation closed 23 December 2016. Considering submissions.
PUB00391	Income tax – Apportioning expenditure for motel / hotel owners claiming business	Review of “Adjustment to costs when domestic establishment attached to business premises” in <i>Tax Information Bulletin</i> Vol 5, No 11 (April 1994) that allowed a formula approach for motel /	Questions have been raised whether the approach in that item is consistent with the more recent statements in the short-stay accommodation items.	At external consultation until 30 July 2021.

Project no.	Title	Topic	Reason for public item	Status & next steps
	portion of personal accommodation	hotel owners for claiming business portion of their personal accommodation as a business expense.		
PUB00321	Income tax – Attribution – calculation examples of rules contained in ss GB 27 to GB 29.	Provides calculation examples under the income attribution rules. The examples expand on the analysis contained in IS 18/03 which was published in August 2018.	Inland Revenue has been asked to provide calculation examples which demonstrate how the principles discussed in IS 18/03 apply in practice.	Published as IS 21/02 March 2021.
PUB00392	Income tax – Charities – apportioning business income under s CW 42 where purposes are not limited to New Zealand	Explain how to allocate business income between NZ and overseas purposes. The item would need to explain whether income is allocated based on the extent that the entity carries out its charitable purposes in New Zealand, or the extent to which the entity's business income is applied for overseas purposes.	This topic was raised by an external submitter as an area for clarification.	Being scoped.
PUB00359	Income tax – Charities – Charities and limited partnerships	Whether interest from limited partnership investments derived by a charity is exempt income under s CW 42.	Guidance has been sought as to whether interest from limited partnership investments derived by a charity is exempt income under s CW 42. This item will clarify the circumstances when the income will be exempt.	Published as QB 21/03 in May 2021.
PUB00384	Income tax – Cryptoassets – Tax treatment of cryptoassets received from blockchain forks and airdrops	Considers whether receipt and/or disposal of new cryptoassets received from blockchain hard forks or airdrops are taxable.	There is interest in Inland Revenue stating how cryptoassets should be treated for tax purposes.	Issues Paper issued December 2020. Next steps prepare QWBAs for consultation. See PUB00405.
PUB00405	Income tax – Cryptoassets – Tax treatment of cryptoassets received from blockchain forks and airdrops	Considers whether receipt and/or disposal of new cryptoassets received from blockchain hard forks or airdrops are taxable.	Next steps are to prepare QWBAs for consultation.	Published as QB 21/06 and QB 21/07 in June 2021.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00393	Income tax – Deductibility of expenditure incurred during periods where business is suspended due to COVID-19	The issue is the deductibility of expenses (most likely fixed costs) incurred by a business that has gone into “hibernation” for 6 or 12 months or longer following COVID-19.	This topic was raised by an external submitter as an area for clarification.	Published as IS 21/04 in June 2021.
PUB00360	Income tax – Deductions – Apportionment of overseas travel expenses for private element	Guidance on how to apportion overseas travel expenses for trips where there are both business and private elements.	An article in TIB Vol 7 No 2 August 1995 explains the general principles. It will be revised and updated.	On hold due to COVID-19 travel restrictions.
PUB00361	Income tax – Deductions – Meal expenses	Consider the deductibility of expenditure on meals when travelling on business.	There is inconsistent practice especially by contractors and self-employed persons claiming meal expenses when making business trips. This item will clarify the tax treatment particularly for day trips.	Published as IS 21/06 in June 2021.
PUB00409	Income tax – Depreciation – Application dates	The issue is when do the amendments made to reinstate depreciation for commercial buildings apply from.	We have been asked to clarify if the policy intent for the changes to apply to all taxpayers for the 20-21 income year is achieved by the legislation.	Published as QB 21/05 in June 2021.
PUB00274	Income tax – Depreciation – Identifying items of depreciable property	This item will set out the principles to apply to identify an item of depreciable property.	QB 15/03 referred to IS 10/01 on residential properties and IS 12/03 on repairs and maintenance for guidance on this point. Having a more general statement setting out the principles that apply to identify the item would provide greater certainty.	Considering issues.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00394	Income tax – Depreciation – Treatment of Government grants as they affect the cost base of assets	Provide guidance on ss DF 1 and CX 41 so businesses know what expenses they can deduct when they receive a grant from a local or public authority.	This topic was raised by an external submitter as an area for clarification.	Considering issues.
PUB00395	Income tax – Depreciation – Update IS 10/02 on meaning of building	Review of IS 10/02 “Meaning of 'building' in the depreciation provisions” following the reintroduction of depreciation on some buildings.	This statement was identified by an external submitter as one that needed updating.	Considering issues.
PUB00402	Income tax – Derivation – Income recognition and changes of accounting standards	The issue is whether NZ IFRS 15 changes the income tax position on income derivation.	IR has been asked to clarify whether certain recent accounting method changes affect tax positions.	Published in Agents Answers newsletter May 2021: The Commissioner’s Position on NZ IFRS Revenue from Contracts with Customers.
PUB00362	Income tax – Dividends – deemed dividends	Review of the item in Public Information Bulletin No. 125 (March 1984) on <i>deemed dividends</i> .	IR has agreed that some of the outstanding PIB Review Project items will be included on the Public Rulings’ work programme each year. The aim of this item is to clarify the treatment of deemed dividends.	Published as IS 21/05 in July 2021.
PUB00363	Income tax – DTA – Application of DTA to collective investment vehicles	Collective investment vehicles such as PIEs carry some tax preferences in terms of rates and in the case of foreign investor PIEs essentially foreign sourced income is not taxed and NZ sourced income is taxed as if non-resident investors are direct investors.	To clarify the issue of entitlement to DTA benefits for NZ collective investment vehicles that are PIEs (including KiwiSavers and superannuation funds); they will frequently be unit trusts and companies as well as trusts and different classes of PIE have different tax concessions.	Being scoped.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00385	Income tax – Employee share schemes – Timing of employer’s income or expenditure under s DV 27	Clarify the timing of an employer’s expenditure or loss under s DV 27(6), or employer’s income under s DV 27(9) for benefits provided under an employee share scheme.	This is one of the specific issues to be addressed out of PUB00364.	Published as QB 21/04 in May 2021.
PUB00364	Income tax – Employee share schemes (some specific interpretive issues)	This item will consider a number of interpretive issues that have arisen for employee share schemes.	This item would aim to resolve some of the uncertainties for transactions under the employee share scheme rules.	Being scoped.
PUB00396	Income tax – Financial arrangements rules – changing status between cash basis and non-cash basis	Explain the adjustments required for persons changing between cash basis and non-cash basis under the financial arrangements rules.	Some of the consultation comments received on IS 20/07 suggested that further guidance on this issue would be welcome.	Considering issues.
PUB00365	Income tax – Income – Income from online sponsorship and patronage	Clarify when income derived from online activities such as sponsorships and patronage is taxable.	Following QB 17/05 , further questions have been asked about income received online from sponsorships or patronage. This item will clarify when these amounts should be treated as income.	External consultation closed 1 June 2021. Considering issues.
PUB00348	Income tax – Income – Pensions from the United Nations	The tax treatment of pensions derived from the United Nations.	Refreshing the previous item “ <i>Tax treatment of United Nations Joint Staff Pension Fund payments</i> ” - Tax Information Bulletin Vol 8, No 10 (December 1996) in light of new developments.	Published as QB 21/01 in January 2021.
PUB00397	Income tax – Land – Apportioning expenses and the loss ring-fencing rules	This item will consider a number of interpretive issues that have arisen for mixed use properties.	This topic was raised as an area for clarification.	On hold pending Policy consideration.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00351	Income tax – Land – bright-line and certain family and close relationship transactions	Considers certain interpretive issues that have arisen for the bright-line test in practice.	This item will resolve uncertainties relating to ownership for certain transactions under the bright-line test.	On hold pending Policy consideration.
PUB00326	Income tax – Land – Work of a minor nature.	Review and update Interpretation Guideline IG0010 - <i>Work of a Minor Nature</i> .	IG0010 specifically addresses whether work done in undertaking a subdivision is of a minor nature. IG0010 was published in 2005, before the enactment of the Income Tax Act 2007. The examples need updating to reflect changes in legislation.	Published as IS 20/08 in August 2020.
PUB00366	Income tax – Liquidation – long form liquidations	Clarify when “liquidation” commences under the long-form liquidation process.	BR Pub 14/09 clarified when liquidation commenced under the short-form process. This item will consider what the position is with long form liquidations.	Published as QB 20/03 in December 2020.
PUB00376	Income tax – Loss continuity proposals	Guidance on the soon to be enacted loss continuity rules that enable loss carry-forward where continuity of business activities exists	To provide guidance on new legislation that raises a number of novel interpretive issues concerning the expanded scope of the loss continuity rules	External consultation closed 28 June 2021. Considering submissions.
PUB00398	Income tax – Losses – Loss offsets between group companies	This could include guidance on: <ul style="list-style-type: none"> • whether two companies form a group • the commonality period (including when the companies have different balance dates) • the part-year rules that allow losses to be grouped when there has been a breach of commonality or continuity. 	This topic was raised by an external submitter as an area for clarification.	Scoped. Not currently allocated.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00388	Income tax – Low value assets write-offs	Explain the different rules in s EE 38 for being eligible to write-off low value assets on purchase.	This topic was suggested as we understand that the requirements of s EE 38 are not well understood.	Not currently allocated.
PUB00367	Income tax – Partnerships – Taxation of partnerships	General statement on the taxation of partnerships.	Building on QB 17/09 this statement will aim to explain the taxation of partnerships as IS 18/01 - <i>Taxation of trusts</i> did for trusts.	Not currently allocated.
PUB00266	Income tax – Payments derived from New Zealand by non-resident software suppliers	Clarify the income tax treatment (under NZ domestic law and double tax agreements) of payments derived from NZ by non-resident suppliers of computer software. More specifically: <ul style="list-style-type: none"> the proper character of payments for supplies of computer software (whether payments are royalties, business or rental income, for services, or non-taxable receipts); and the possible income tax treatment of each type of payment (including for NRWT). 	It has been suggested both internally and by external practitioners that IG0007 “Non-resident software suppliers’ payments derived from New Zealand—Income tax treatment” is out of date, particularly in light of technological developments in the way software is transacted.	Currently on hold awaiting finalisation of US Regulations on software. Anticipate recommencing project second half of 2021.
PUB00399	Income tax – Promotional bodies and the s CW 40 exemption	Clarify how s CW 40 exemption applies for local and regional promotional bodies that “advertise, beautify or develop a city or district, or create, develop or increase amenities for the general public in a city or district”.	This topic was raised as an area for clarification.	Scoped. Not currently allocated.

Project no.	Title	Topic	Reason for public item	Status & next steps
ADV00097	Income tax – RWT and NRWT – whether withholding applies to “negative interest”	Guidance on whether banks and financial institutions need to deduct RWT and NRWT in the event of negative interest rates.	The industry needs to ensure they have systems in place to cover this eventuality.	Published as QB 21/02 in April 2021.
PUB00400	Income tax – Short-stay accommodation where property owned by a company	Explain the tax consequences of making a property available for short-stay accommodation where it is owned by a company.	This arose from the suite of items issued on the subject of short-stay accommodation.	Considering issues.
PUB00305	Income tax – Tax avoidance – Review of Interpretation Statement on the application of ss BG 1 and GA 1	Review of IS 13/01 - <i>Tax avoidance and the interpretation of sections BG 1 and GA 1 of the Income Tax Act 2007</i> .	Inland Revenue considers that it is desirable to review and update IS 13/01 .	External consultation closed 31 March 2021. Considering submissions.
PUB00371	Income tax – Tax credits – Gifting loyalty points	Gifting loyalty points to charities and claiming donation tax credits.	Issues have arisen where loyalty points are being gifted to charities and donation tax credits claimed. This item will address whether a tax credit is available.	Not currently allocated.
PUB00372	Income tax – Tax credits – Meaning of public fund	Section LD 3(2)(d) confers donee organisation status to a “public fund”.	Following QB 19/10 further questions were raised as to what is required to establish and maintain a s LD 3(2)(d) public fund.	Considering issues.
PUB00310	Income tax – Tax credits – Overseas rental properties	Guidance on the rules that apply when determining the available deductions where a person has an overseas rental property, and the foreign tax credits that can be claimed.	There is some confusion about how deductions and foreign tax credits should be calculated for overseas rental properties.	Published as IS 20/06 , IS 20/07 and DET FX 20/01 in July 2020.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00370	Income tax – Tax credits – Segmentation of foreign sourced income	Explain how subpart LJ works in terms of identifying a segment of foreign sourced income.	Further guidance has been sought on the interpretation of a “segment of foreign sourced income” for the purposes of subpart LJ.	Considering issues.
PUB00374	Income tax – Trusts – Imputation credits and trust distributions	Clarify how imputation credits can be attached to dividends that flow through a trust.	Guidance has been sought on distributions from trusts and the ability to attach Imputation credits to dividends that flow through.	This project has been closed and referred to Policy for remedial legislation March 2021.
PUB00339	Income tax – Trusts – New Zealand-Australia DTA	Guidance for NZ trusts on the application of DTAs and the resulting implications in terms of FTCs, determination of residency, and permanent establishment issues.	Following on from the interpretation statement on trusts (IS 18/01), there is interest in guidance being provided on how DTAs apply to trusts. This guidance will be provided in the context of the New Zealand-Australia DTA.	Issues Paper issued December 2020. Next steps prepare interpretation statement for consultation. See PUB00407.
PUB00407	Income tax – Trusts – New Zealand-Australia DTA	Guidance for NZ trusts on the application of DTAs and the resulting implications in terms of FTCs, determination of residency, and permanent establishment issues.	Next steps are to prepare an interpretation statement for consultation.	Considering submissions on issues paper and preparing interpretation statement for consultation.
PUB00375	Income Tax – Trusts – Trust remedial issues	A number of amendments to the Income Tax Act 2007 are proposed which will affect the analysis in IS 18/01 - <i>Taxation of trusts – income tax</i> .	Since IS 18/01 was published, there have been various amendments both already passed and proposed in the Kiwisaver Bill 2019 to the tax laws that apply to trusts. IS 18/01 may need to be updated or supplementary items issued.	Scoping.
PUB00335	Income tax – Withholding tax – New Zealand tax obligations for cross-border workers	Clarify the New Zealand income tax obligations for cross-border workers (under NZ domestic law and double tax agreements).	The Commissioner’s guidance on the New Zealand income tax obligations for cross-border workers would benefit from being reviewed and consolidated. This item(s) will complement the broader work being done across Inland Revenue.	Not currently allocated.

[UNCLASSIFIED]