

DETERMINATION > COVID-19 VARIATION

Variation to sections 33E and 68CC(3) of the Tax Administration Act 1994

Issued: 21 April 2021

COV 21/01

EFFECTIVE: 21 April 2021 to 30 September 2021

Determination

The Commissioner of Inland Revenue has, under the discretion provided under section 6I of the Tax Administration Act 1994, made the following statutory variation:

For a criteria and methodologies notice in relation to the R&D tax credit for the 2020-2021 income tax year under section 68CC(3) of the Tax Administration Act 1994, the date by which that notice must be filed with the Commissioner is extended to the 7th day of the fifth month after the end of the income year for a person with a standard or late balance date, or 7 August 2021 for a person with an early balance date, but in no case beyond 30 September 2021.

For a supplementary return for the 2019-2020 tax year under s 33E of the Tax Administration Act 1994, the date by which a supplementary return must be filed is amended to be the day that is 90 days after—

- (a) the due date on which they are required to file a return of income for the tax year under section 37; or
- (b) the due date on which they would be required to file a return under section 37, if they had assessable income.

This variation applies in circumstances where the planning or conduct of eligible research and development or the ability to appropriately obtain necessary information, seek advice and formulate an application or prepare a return under sections 33E or 68CC of the Tax Administration Act 1994 on time has been materially delayed or disrupted by the COVID-19 outbreak and its effects.

Application date

This variation applies from 21 April 2021 to 30 September 2021

Dated at Wellington on 21 April 2021

Jonathan Rodgers

Group Leader – Tax Counsel Office

Inland Revenue

Background (material under this heading does not form part of the variation)

Summary of effect

1. This variation extends:
 - by three months (to 7 August 2021 for a standard balance date) the times by which a person with a standard or late balance date, to be entitled to research and development tax credits under s LY 1 of the Income Tax Act 2007, must apply for criteria and methodology approvals for the 2020-2021 income year (but not beyond 30 September 2021 in any case);
 - to 7 August 2021 the time by which a person with an early balance date, to be entitled to research and development tax credits under s LY 1 of the Income Tax Act 2007, must apply for a criteria and methodologies approval for the 2020-2021 income year; and
 - by 60 days the time by which a person must make supplementary returns for the 2019-2020 tax year.

Provisions affected

2. Sections 33E and 68CC of the Tax Administration Act 1994

Application of variation:

3. This variation applies to a person who is seeking the Commissioner's approval of their research and development activities by filing a criteria and methodologies application for the 2020-2021 income year under s 68CC of the Tax Administration Act 1994, or who is filing a research and development supplementary return for the 2019-2020 tax year. The variation recognises that the impact of COVID-19 means the planning or conduct of research and development or the ability to obtain information, seek advice and formulate an application may have been delayed.

Associated variations:

4. See also COV 20/10 "Variation to section 68CB(2) of the Tax Administration Act 1994" dated 1 September 2020.

Legislative References

Tax Administration Act 1994: ss 6H and 6I

About this document

These variations concern the Commissioner's additional discretion to extend a due date, deadline, time period or timeframe or vary a procedural or administrative requirement arising from COVID-19 or the Government's response measures.