

DETERMINATION > COVID-19 VARIATION

Variation to section 68CC(3) of the Tax Administration Act 1994

Issued: Date 9 November 2021

COV 21/05

EFFECTIVE: 9 November 2021 to 30 June 2022

Variation

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 December 2021 for a person with a balance date of 30 April 2021 or later.

For a criteria and methodologies notice in relation to the R&D tax credit for the 2021-2022 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 last day of the third month before the end of the first income year for a person with a balance date between 28 February 2022 and 30 June 2022.

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 under section 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 9 November 2021 to 30 June 2022.

Dated at Wellington on 9 November 2021.

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

Summary of effect

1. This variation extends:
 - to 7 December 2021 the time by which a person with a 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 approval for the 2020-2021 income year;
 - by three months (to 30 November 2021 for customers with a February balance date and to 31 March 2022 for customers with a June balance date) the times by which a person with balance dates between 28 February 2022 and June 2022, 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 2021-2022 income year.

Provisions affected

2. Section 68CC(3) of the Tax Administration 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 or the 2021-2022 income years under s 68CC of the Tax Administration Act 1994. The variation recognises that the impact of COVID-19 may have delayed or disrupted the planning or conduct of research and development or the ability to obtain information, seek advice and formulate an application.

Associated variations

4. See also COV 21/01 "Variation to sections 33E and 68CC(3) of the Tax Administration Act 1994" dated 21 April 2021.

References

Legislative references

Tax Administration Act 1994: ss 6H and 6I, s 68CC.

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.