

GENERAL ARTICLE

Legislation modification powers

Issued: 13 October 2026

GA 26/01

This article explains the powers under ss 6C to 6G of the Tax Administration Act 1994 that enable Inland Revenue Acts to be modified in limited circumstances to help taxpayers meet their obligations.

Legislative references are to the Tax Administration Act 1994 (TAA 1994) unless otherwise stated.

Note: This guidance was first published as separate page on the IR Tax Technical website. It was updated and converted to a General Article on 12 October 2026.

Explanation

1. Sometimes provisions in Inland Revenue Acts contain errors, are ambiguous or inconsistent with other provisions, or do not achieve their intended purpose. Because clear and effective legislation is vital to the integrity of the tax system, powers exist to temporarily address these issues. These powers are found in ss 6C to 6G of the Tax Administration Act 1994.
 - The Governor-General may, by Order in Council made on the recommendation of the Minister of Revenue, temporarily modify provisions of Inland Revenue Acts (s 6D).
 - The Commissioner of Inland Revenue has the power to temporarily grant exemptions from provisions of Inland Revenue Acts (s 6E).
2. Generally, these powers will be exercised only where they benefit taxpayers, who may choose whether to apply the modification or exemption.
3. Modifications and exemptions generally apply for a maximum of three years, which includes the year in which they come into force. In some cases, they made also have retrospective effect.

How you can raise an issue

4. If you think a provision in an Inland Revenue Act contains an error, is ambiguous or inconsistent with other provisions, or does not achieve its intended purpose, you can raise this issue with Inland Revenue using our dedicated email address:
Imp@ird.govt.nz
5. To help us assess the issue, please provide:
 - **The provision affected**
Identify the provision that you think should be modified.
 - **The nature of the issue**
Explain the issue and its impact. For example, is there an obvious error, ambiguity, or inconsistency? Examples of how the issue affects taxpayers would be helpful.
 - **The proposed modification**
Describe the modification that you think would resolve the issue.

- **How the proposed modification aligns with Parliament's intent**

Explain how the proposed modification is consistent with the intended purpose of the provision. Relevant evidence may be found in publicly available materials such as explanatory memorandum, select committee reports, and other documents prepared when the provision was enacted or amended.

6. You can also provide any additional information you think may assist us.

What happens next

7. A specialist team will assess the issue to determine whether it is appropriate to exercise the legislative modification powers.
8. If the issue falls within the scope of the rules, it will be carefully considered. Any proposed exercise of the power will be publicly consulted. We may also discuss the issue with submitters and others to ensure that we have fully understood the issue.
9. If the powers are exercised and either a modification is made by Order in Council, or the Commissioner issues an exemption, the results will be published.
10. Each modification or exemption will explain whether affected customers need to take any steps to benefit from it and whether it has retrospective effect. Additional guidance may also be provided. Where relevant, the process for opting out will be explained.
11. If a legislative modification applies to prior periods, and a return has already been furnished, the Commissioner will be able to make amendments on request.

About this document

General articles cover an assortment of items that do not fall within the other stated publication types on the IR Tax Technical website.