Tax Information Bulletin

Volume Three, No. 6 April 1991

Contents

ISSN 0114-7161

Recent Legislation - Taxation Reform Bill (No.4)

The Taxation Reform Bill (No 4) covered a wide range of issues and gave effect to a series of changes that are predominantly procedural or administrative in nature. The bill was introduced into Parliament on 19 December 1991, and the resulting acts received royal assent on 13 March 1992.

Upon passage, the bill was divided into separate acts:

- Income Tax Amendment Act 1992
- GST Amendment Act 1992
- Stamp and Cheque Duties Amendment Act 1992
- Estate and Gift Duties Amendment Act 1992
- Inland Revenue Department Amendment Act 1992
- Child Support Amendment Act 1992
- Accident Compensation Amendment Act 1992.

Unless otherwise indicated, section numbers in the headings of the following items refer to the Income Tax Amendment Act 1992.

Trade Unions no longer included in Friendly Society Definition

Section 2(1)

Introduction

"Trade organisations" will no longer come within the ambit of the previous friendly society definition.

Background

The income of a friendly society, as defined in section 2, is exempt from tax except so far as it is derived from business carried on beyond the circle of its membership (section 61(23)).

Previously the definition was wide enough to include trade unions, employer organisations and industrial associations. This changed with the passing of the Employment Contracts Act 1991 (ECA).

The ECA provided that "every union, employers organisation or association" that was previously registered under the Labour Relations Act 1987 shall become an incorporated society registered under the Incorporated Societies Act 1908. Therefore, trade organisations cease to be friendly societies from 15 May 1991.

(See also pages 8 ans 10 of this TIB for further discussion on trade associations under sections 11(2) and 16.)

Key Issues

"Friendly society" now means any society or credit union or association of credit unions registered or deemed to be registered under the Friendly Societies and Credit Unions Act 1982.

Many trade associations who become incorporated societies will not see any great change. Their income will comprise merely interest on subscriptions held in current accounts. However, in those cases where income is derived from larger investments, or possibly in the form of rental income, it will be necessary to complete accounts for tax purposes.

Any affected trade union, employer organisation or industrial association which will now be liable to income tax because their income is above the $1,000 exemption provided in section 61(34) of the Income Tax Act 1976 will no longer qualify for a Certificate of Exemption from Resident Withholding Tax. These organisations should advise payers of interest that their interest income is no longer exempt.

Some of these organisations may now be liable for provisional tax. They should contact their nearest Inland Revenue Office for information about this.

Application Date

These amendments apply from 1 April 1992.

Confirmation of Tax Treatment of Student Grants and Allowances

Sections 2 (2), 11(3), 13 and 23

Introduction

The Income Tax Amendment Act 1992 amends four provisions in the Principal Act which affect student grants and allowances.

These amendments are consequences of the Education Amendment Act 1990 (which repealed section 163 of the Education Act 1964) and of the Student Allowances Regulations 1991.

Background

Since 1 April 1988, student allowances and grants have been assessable income. This liability arose under three provisions, namely:

- as "salary or wages" as defined in section 2 of the Act;
- as "basic grants and independent circumstances grants" made pursuant to regulations made under section 193 of the Education Act 1964
- as "income derived from any other source whatsoever" under section 65(2)(l).

From that date, "scholarships or bursaries ... other than a basic grant or an independent circumstances grant made pursuant to regulations made under section 193 of the Education Act 1964" have been exempt from income tax.

Because the definition of "salary or wages" includes student grants and allowances and because "salary or wages" are within the definition of "source deduction payment" in section 6(1), the income tax due was required to be deducted at the time of their payment under the PAYE provisions.

Key Issues

Section 193 of the Education Act 1964 has been repealed. The Student Allowances Regulations 1991, which apply from 1 January 1992, were made pursuant to the authority of section 303 of the Education Act 1989

To continue the income tax assessability of student grants and allowances, the exemption of scholarships or bursaries, and the deduction of income tax under the PAYE provisions, the reference to section 193 of the Education Act 1964 has been altered in:

- the paragraph (ca) definition of "salary or wages" in section 2;
- the paragraph (da) of section 65 (2) (assessable income) definition of "basic grants";
- the section 61(37) exemption of scholarship and bursaries; and,
- the section 374A definition of "financially independent".

This latter provision is relevant for calculating family support tax credit entitlements.

A reference to section 303 of the Education Act 1989 has been substituted in each case.

The effect of these amendments is to continue the current tax treatment of student allowances, grants, bursaries and scholarships, and to leave unchanged Family Support entitlements.

Application Date

These amendments are effective from the date of assent (13 March 1992).

Definition of Income Year and Associated Terms

Section 3

A formal definition of the expression "income year" and certain other terms has been inserted into the Act.

Such definitions did not previously exist. They have been inserted for convenience of reference.

Definitions are now in place for:

- Income Year
- Standard Balance Date (etc)
- Non-standard Balance Date (etc)
- Early Balance Date (etc)
- Late Balance Date (etc)

In addition, references to Income Years in the Act shall be taken as including non-standard accounting years (section 3(3)(a)).

Application Date

These amendments are effective from the date of assent (13 March 1992).

Information from Returns now accepted Electronically

Section 5, 8 and 30, Income Tax Amendment Act 1992
Section 2 and 3, Inland Revenue Department Amendment Act 1992

Introduction

The Income Tax Act and the Inland Revenue Department Act have been amended to enable the Commissioner to receive and act on electronically filed information from returns.

Background

The Act previously required returns to be filed by way of paper. Inland Revenue's FIRST computer systems enable us to receive information electronically. The Income Tax Act has therefore been amended to enable the Commissioner to receive and act on electronically filed information from returns. The Inland Revenue Department Act has been amended to clarify the point in time that an electronic return is received and covers the prescribing of electronic formats for electronically filed information.

Key Issues

Power of Commissioner to receive and act on electronic information

The Income Tax Act before amendment gave the Commissioner the power to receive and act only on paper returns [section 9]. The new section 14A gives the Commissioner the power to give approval to taxpayers or their agents to file the information from returns by electronic means in a prescribed electronic format. Where return information is received in this manner the Commissioner will treat the information as if it were a return furnished pursuant to section 9 or any other provision of the Act which relates to the furnishing of returns. This means that the Commissioner can issue assessments, accept objections and so forth on the basis of the information electronically filed.

Retention of the paper copy

The software package which all those filing electronically must use will print a copy of the electronically filed information in a normal return format. New section 14A(3)(b) deems this paper copy to be the return of the taxpayer. The taxpayer is required to retain it on behalf of the Commissioner and produce it on request. These paper returns may be kept by taxpayers or their agents.

New section 428A details the requirements for keeping paper returns from which the information has been electronically filed. Essentially the paper return must be retained for seven years unless the Commissioner requires the return to be kept for a greater period or a notice in writing has been issued to the effect that retention is not required.

Signing the return

The return produced by the software package will incorporate the declaration found on all paper returns. Section 17A of the Inland Revenue Department Act requires all returns to be signed.

Receipt of an electronically filed return

Section 17A of the Inland Revenue Department Act has been amended to ensure that receipt of the electronic information by Inland Revenue is deemed to be the receipt of the return.

Prescribed Format

Section 22A of the Inland Revenue Department Act has been repealed and replaced. A return or information filed electronically is deemed not to be in a prescribed format unless it is transmitted in an electronic format that has been certified by the Commissioner as matching the prescribed format. It was necessary to legislate in this manner because it is not possible to publish in paper form the electronic format.

Other Returns

In time the FIRST systems will cater for information or returns other than income tax returns. The legislation for electronic filing has been drafted to cover all returns required under the Income Tax Act.

Application Date

These amendments are effective from the date of assent (13 March 1992).

“IR 5 Taxpayer” defined

Section 6(1)

Introduction

Section 17 of the Income Tax Act has been amended to define an IR 5 taxpayer.

Background

For many years there has been a distinction between IR 5 and IR 3 taxpayers, based on whether or not the taxpayer was a provisional taxpayer, but “IR 5 taxpayer” was not defined.

The need to define an IR 5 taxpayer arose because of changes to the provisional tax rules, for implementation of FIRST, and to enable easy instructions to be given to taxpayers for filing purposes.

Key Issue

An “IR 5 taxpayer” will mean any natural person where -

(a) the only income of the person in an income year is New Zealand sourced income that consists only of any one or more of the following:

(i) Salary or wages; or

(ii) Extra emoluments; or

(iii) Resident withholding income; and

(b) The person does not derive in that year income consisting of either withholding payments or beneficiary income as defined in section 226(1) of the Act.

The reason for the limitation to New Zealand sourced income is that under FIRST IR 5 processing there is no provision for calculating overseas tax credits.

Application Date

The amendment will apply for the 1991/92 income year.

Changes to Return Filing Date

Section 6(2)

Introduction

Certain changes have been made to Return Filing Dates.

Background

This reflects recommendations of the Tax Simplification Consultative Committee (TSCC). The TSCC recommended that non-IR5 taxpayers should have four months from balance date in which to file their returns, and that all return filing dates should be on the 20th day of a month rather than the customary 7th.

Once planned changes to provisional tax payment dates were deferred, a change to return filing dates would have meant that provisional taxpayers would be required to pay their first provisional tax payment on the 7th day of a month, even though their return was not due for filing until the 20th. This would have been confusing for taxpayers who normally send their first payment and their tax return together, so the actual date changes have been deferred meantime.

The TSCC recommended that the time to file for non IR 5s be extended to the fourth month after balance date. This would have been advantageous for late balance date taxpayers but it would have been difficult for persons with October or November balance dates as the new return forms are often not available until early in April.

Key Issues

A new subsection 17(2) of the Income Tax act therefore sets the due dates for filing annual income tax returns.

IR 5 returns are due by 7 June, as at present.

Returns from late balance date taxpayers are due by the 7th day of the 4th month after a taxpayer’s balance date.

All other returns are due by 7 July.

Future Developments

When the TSCC’s recommendations on aligning due dates to the 20th day are eventually adopted the legislative wording will be in place for a simple amendment to change the numbers.

Application Date

The amendment applies for the 1991/92 income year.

Time Limitations for Amendment of Assessments

Section 7

Introduction

This amendment effects two changes to section 25 (1) of the Income Tax Act 1976. These amendments are necessary for three reasons. The first is to clarify the time within which the Commissioner may amend an assessment. The second is to accommodate changes in the manner in which Inland Revenue processes returns and consequently, the basis on which assessments are made. The third is to clarify that the four year time limit in the provision does not apply to default assessments.

Background

Subsection (1) of section 25 imposes a four year time limit within which the Commissioner may amend, by increasing the amount thereof, an assessment for any income year. Previously, the time limit for amendment expired four years "from the end of the year in which the assessment was made". Doubts have arisen on occasions where an assessment was made late in an income year and not notified to the taxpayer until after the end of that income year.

Also, because the term "assessment" is not defined in the Act, the current language of the subsection arguably contemplates that some act of the mind is necessary for an assessment to be made. Modern returns processing under FIRST Systems renders such an assumption no longer valid in the great majority of circumstances.

Finally, it has also been argued that the "returns" referred to in the subsection need not be the same as those "assessed" for any income year. That is, that default assessments could not be amended where subsequently a return is filed for an income year. The legislative intention is that the "returns" referred to as filed be the same as those "assessed" in any income year.

Key Issues

From date of assent, subsection (1) of section 25 is amended to insert the expression "(other than pursuant to section 21 of this Act)" after the expression "income tax for any year". This amendment will exclude default assessments from the scope of the section.

Also from that date, the subsection is further amended by substituting the expression "the notice of assessment was issued" for the expression "the assessment was made". This amendment will clarify the commencement date of the time limit for amendment of assessments.

Application Date

These amendments are effective from the date of assent (13 March 1992).

Extension of Time to make Objections

Section 9 and 18, Income Tax Amendment Act 1992
Section 8, GST Amendment Act 1992
Section 3, Estate & Gift Duties Amendment Act 1992
Section 2, Stamp & Cheque Duties Amendment Act 1992

Introduction

Taxpayers have been given a formal right to apply for an extension of time in which to make an objection.

Background

These amendments give effect to recommendations of the Tax Simplification Consultative Committee (TSCC) relating to tax in dispute.

In the past, a taxpayer who failed to lodge an objection within the prescribed time, could only apply to the Commissioner to make a late objection and then await the Commissioner's discretion. This created uncertainty for such taxpayers, since the original time for objection was expired but the Commissioner had not yet made his decision whether or not to accept the application for late objection.

Key Issues

For all the above Revenue Acts, the amendments enable taxpayers to apply to the Commissioner for an extension of time in which to make an objection before the expiry of the objection period.

Application date

These amendments apply from 1 April 1992.

Six Month Time Limit for Stating Cases to High Court

Section 10

Introduction

The Tax Simplification Consultative Committee (TSCC) recommended that the Commissioner of Inland Revenue should be subject to a six month time limit within which to state a case for the opinion of the High Court.

This amendment gives legislative effect to that recommendation, for objections made on or after 1 July 1992.

Background

Section 33 of the Income Tax Act 1976 prescribes the circumstances and manner in which objections to assessments may be referred to the High Court in the first instance.

Where an objection is disallowed by the Commissioner, the objector is permitted two months in which to state a case for the opinion of the High Court. There is no similar time limit within which the Commissioner may elect to state a case for the opinion of the High Court.

Key Issues

Section 33 is amended to provide that for requests for cases stated made on or after 1 July 1992, the Commissioner shall state a case within six months of either:

- the date of receipt of the objection, or
- the date on which the Commissioner and the objector agreed to state a case for the opinion of the High Court, or
- the date on which the High Court orders that a case be stated for its opinion.

The High Court is granted power to extend the time for the stating of a case for its opinion. Where the Commissioner fails to file a case within the set period, the Court may, on application from the objector, allow the objection.

Application Date

This amendment applies to cases stated on or after 1 July 1992.

NRWT Removed for Niuean Companies

Sections 11(1) and 11(5)

Introduction

Section 61 of the Income Tax Act, as it relates to Niue, has been amended, at the request of the Niuean government.

Background

Niue has no Companies Act of its own. Niuean companies have therefore traditionally been incorporated under New Zealand law. In recognition of this fact, income derived by these companies is exempt from New Zealand taxation under s61(9) of the Income Tax Act, as are the dividends paid by them to shareholders who are Niuean residents (under s61(48)).

However, the operation of the New Zealand NRWT regime means that income derived from a Niuean company by a person resident in a country other than Niue or New Zealand will attract New Zealand NRWT. The Niuean Government requested the removal of this disincentive to foreign investment.

Key Issues

The amendments to the Act exempt from New Zealand tax:

- the income of a company where that income is derived exclusively or principally from Niue, and
- the dividends paid by such companies to persons who are not residents of either New Zealand or Niue.

Application Date

These amendments apply from 1 April 1992

Transitional Relief for Trade Associations

Subsections 11(2)and 11(4)

Introduction

This is a relief provision for those trade associations discussed above under section 2(1) (see Page 2) which are deemed to be incorporated societies from 15 May 1991. It avoids the need for them to furnish part year tax returns.

Background

Previously trade unions and employer organisations were expressly included in the definition of "friendly society" for the purposes of the Income Tax Act 1976 and were therefore entitled to an exemption from tax on income derived within the circle of membership.

With the enactment of the Employment Contracts Act 1991 they were no longer within that definition and lost their tax exempt status from 15 May 1991. As it is preferable for a change of taxation status to take place from the commencement of an income year a short exemption period has been provided to align the change in status with the commencement of a standard accounting year.

Key Issue

A new subsection 61(23A) exempts certain trade unions and employer associations from income tax for the period from 15 May 1991 to 31 March 1992.

No specific provision has been made for trade associations which do not have a 31 March balance date. Consideration of the use of an alternative balance date will be subject to the usual rules, and the effect of this exemption will need to be taken into account.

Taxable income of a trade association derived outside the circle of membership is not affected by this change. It remains taxable.

A consequential change to section 61(39) of the Income Tax Act 1976 omits words that are no longer necessary in light of the new definition of "friendly society" substituted by section 2(1) of this Act.

Application Date

These amendments apply from 13 March 1992.

New Start Grants: Extension of Deadline

Section 12

Introduction

The provisions relating to New Start Grants have been amended to give farmers on the East Coast of the North Island who suffered from drought an extra year to organise their tax position.

Background

Section 64FB(2) of the Income Tax Act applies to farmers who suffered from the drought which occurred on the East Coast of the North Island during the 1988 and 1989 income years. It provides that where a farmer had debts remitted by 30 September 1990 as a prerequisite for receiving a New Start grant, the amount forgiven was not counted as assessable income to the extent to which it could not be offset against accumulated losses.

Key Issues

The 30 September 1990 date by which an East Coast farmer had to have all debts incurred and remitted was an extremely tight deadline for some given their circumstances. This amendment provided an extra year for these farmers to sort out their financial affairs. This meant those farmers who suffered from the East Coast droughts had until 30 September 1991 to finalise their tax position.

Application Date

The amendment itself applies from the date of the enactment of the Amendment Act, but the nature of the amendment means that the effective application date is 30 September 1990.

Extension of Relief Provisions to Estimators of Provisional Tax for Shareholder-Employees affected by the 1991 Amendments to Section 75

Section 14

Introduction

The Income Tax Amendment Act 1992 adds to the transitional provision to section 75 of the Income Tax Act 1976, which was contained in the Income Tax Amendment Act (No.3) 1991. It extends the adjusted 1991 residual income tax for the purposes of capping any 1992 under-estimation penalty.

Background

The Income Tax Amendment Act (No.3) 1991 provided a transitional provision for section 75(3) of the Income Tax Act 1976. The transitional provision was needed because taxpayers affected by the operation of the amended section 75 were faced with two years' income assessable in the one income year.

This provision allowed taxpayers who used the 1991 residual income tax plus the uplift factors to determine 1992 provisional tax and the first and second instalments of 1993 provisional tax to adjust their 1991 residual income tax by the tax payable as a result of the operation of the amendment.

However, this adjustment of the provisional tax amount did not apply to cap any 1992 under-estimation penalty.

Key Issues

The amendment ensures that the adjusted amount of 1991 residual income tax applies to cap any 1992 exposure to under-estimation penalty.

Application Date

This amendment applies to cap any exposure to under-estimation penalty for the 1992 income year.

Monetary Remuneration includes Directors' Fees for Purposes of Sections 75 and 104A

Section 15

Introduction

The Income Tax Amendment Act 1992 adds a further subsection to section 104A of the Income Tax Act 1976. It makes it clear that for the purposes of the operation of that section and section 75, monetary remuneration includes directors' fees.

Background

The Income Tax Amendment Act (No.3) 1991 contained new rules governing the assessability and deductibility of monetary remuneration. It had been pointed out to Inland Revenue that directors' fees were not explicitly included as monetary remuneration. The inclusion of directors as employees is somewhat indirect:

- an employee is defined as someone who is entitled to receive a source deduction payment;
- withholding payments are source deduction payments; and
- directors fees are subject to withholding payments.

There appeared to be some confusion among taxpayers as to whether the new rules actually applied to directors' fees.

Key Issues

The new subsection makes it clear that for the purposes of the operation of sections 75 and 104A, monetary remuneration includes directors' fees.

Application Date

This amendment applies from the date of assent. (13 March 1992)

Valuation of Trade Associations' Assets

Section 16

Introduction

Section 16 inserts a new section 197I into the Act. This section makes provision for the valuation of assets of "trade associations" which cease to be exempt from tax from 1 April 1992.

Background

With the change in taxation status of trade unions and employer organisations it was necessary to provide a mechanism for valuation of assets which were owned by these organisations during their tax-exempt period.

Provisions similar to those provided in 1988 for State Owned Enterprises, Statutory Producer Boards, Cooperatives and similar organisations have been introduced (Sections 197A to H refer).

Key Issues

Subsection (1) defines "trade association" to encompass affected organisations.

Assets which in future can be depreciated in accordance with section 108 and which were on hand prior to 1 April may be valued as if they had previously been used in the production of assessable income and been depreciated in accordance with the Commissioner's ordinary depreciation for taxation rules. (subsection (2))

Where the asset is a building, it may be valued at acquisition cost for depreciation purposes (subsection (3)).

If there is a dispute about the cost of a depreciable asset, or about the date of acquisition, it must be determined by agreement between the taxpayer and the Commissioner. Failing such an agreement, the Commissioner shall make a determination as to cost or date as appropriate. (subsection (4))

Application Date

The amendment comes into force on 1 April 1992. This applies from a specific day, not for an income year.

Controlled Foreign Company Transitional Provisions extended, Foreign Investment Fund Regime deferred

Section 17

Introduction

The Income Tax Act has been amended to extend the transitional provisions of the Controlled Foreign Company (CFC) regime, and to defer the application of the Foreign Investment Fund (FIF) regime.

Background

Section 245Y of the Income Tax Act originally provided that if a CFC was resident at all times during the period from 1 April 1988 to 31 March 1990 in a country or territory other than those listed in the Seventeenth Schedule to the Act, any person who held an income interest in that CFC was not required to calculate attributed foreign income or attributed foreign loss until 1 April 1990.

The application date of the FIF regime was 1 April 1988 unless a fund was resident in a country or territory not listed in the Seventeenth Schedule. Persons with an interest in a fund resident in a country not listed in the Seventeenth Schedule were not required to calculate FIF income or loss until 1 April 1989.

The transitional period of the CFC regime was extended to 31 March 1991 by the Income Tax Amendment Act (No 2) 1991. This Act also deferred the application date of the FIF regime until 1 April 1991.

Key Issues

The document *Taxing Income Across International Borders - A Policy Framework* was released as a Budget annex on 30 July 1991. The Government welcomed comment on the issues discussed in that document, including the CFC and FIF regimes.

To allow sufficient time to receive and consider public submissions as part of the review of the CFC and FIF regimes, the Government has decided to extend the transitional provisions of the CFC regime and postpone the application of the FIF regime for a further year.

Accordingly, a further amendment has been made to section 245Y of the Act to extend the period to which the transitional provisions relating to the CFC regime will apply. Before this amendment these provisions had ceased on 31 March 1991. They will now apply until 31 March 1992.

However, the CFC regime will continue to apply to interests held in CFCs resident in countries or territories listed on the Seventeenth Schedule.

The amendment also provides that the application of the FIF regime has been deferred for a further year. It will now apply from 1 April 1992.

The amendments contained in the Income Tax Amendment Act (No 2) 1991 inserted an anti-avoidance provision, to ensure that interests acquired in the period between the date of the announcement of the deferral of the application of the FIF regime, and the date from which the FIF regime was to apply would be subject to the FIF regime. The application of this provision has been extended to include all interests acquired between 19 December 1991 (the date of the announcement of the extended deferral), and 1 April 1992 (the new application date). Interests acquired by virtue of any rights attached to an interest held in a FIF before 19 December, or through the operation of law, will continue to be unaffected.

Section 245Y(3A) is amended to allow companies with late balance dates to return the attributed foreign income derived from 1 April 1992 in their 1993 returns of income. A similar amendment has been made to section 245Y(10), providing that this provision will equally apply to the FIF regime.

FIF income will not have to be taken into account for provisional tax estimates. However, taxpayers may take anticipated FIF losses into account if they wish.

Tax payable on any FIF income will not be taken into account when calculating any underestimation penalty charged under section 384, additional tax charged under section 398, and any interest payable in terms of section 398A.

Refunds of tax arising as a result of the deferred application date of the FIF regime will not generally qualify for interest on tax overpaid. However, where a person who is entitled to receive interest on tax overpaid under section 413A receives a refund of tax previously paid on FIF income, that person will continue to be entitled to receive interest in relation to the amount of tax refunded.

A minor clarification has been made to section 245Y(1A). The words “or foreign entity” have been removed, as from 1 April 1989 the seventeenth schedule has no application to the FIF regime.

Inland Revenue is considering whether the current disclosure exemption will be extended for another year. Taxpayers will be notified in a later TIB.

Application Date

These amendments apply from 13 March 1992.

FBT - Payments by Associated Persons recognised

Section 21(1)

Introduction

This amendment corrects an oversight in the FBT regime by allowing a reduction in the taxable value of a benefit supplied to an associated person of an employee to be reduced by any amount paid by that associated person.

Background

A principle behind FBT is that the tax is levied only on the net value of the benefit provided. In situations where the employee receiving the benefit makes some payment towards it, the taxable value is reduced by the amount of that payment under the provisions of section 336P.

A benefit provided by an employer to an associated person of an employee - generally the employee’s family - is also subject to FBT. There was, however, no corresponding provision reducing the value on which FBT was payable by any payment towards the benefit if that payment was not made by the employee.

It should be noted that administratively Inland Revenue has always allowed the taxable value of a fringe benefit to be reduced by any payment made by an associated person, and this amendment simply clarifies the legal position.

Key Issues

The amendment ensures that where a benefit is provided to an associated person of an employee, and that person makes a payment towards the benefit, the value on which FBT must be paid is reduced by the amount of the payment. This will not alter Inland Revenue’s current practice.

Application Date

This amendment applies from the date of assent (13 March 1992).

FBT - GST-Exclusive Values where Employee part-owns Motor Vehicle

Section 21(2) and 21(3)

Introduction

This amendment corrects an oversight in the FBT regime. Recognition is now made of the GST-exclusive valuation method where employees or associated persons make a contribution to motor vehicle costs.

Background

Section 336P(1) acts to reduce the taxable value of a fringe benefit which is a motor vehicle when that motor vehicle is part-owned by an employee, or subsequent to the amendment made by section **21(1)** of this Amendment Act, an associate of that employee. Where a motor vehicle is part-owned, the taxable value is reduced by 10%, on an annual basis, of the cost price of the vehicle to the employee or associate of the employee. The 10% reduction, compared to the total annual liability on 24% of the cost price, recognizes the fact that the employer will continue to meet the running and maintenance costs of the vehicle.

The impost of FBT where a motor vehicle is provided was amended by section 35 of the Income Tax Amendment Act (No 3) 1991. This amendment provided a new option of valuing motor vehicles in a manner which is exclusive of GST. Through oversight, this new valuation method was not recognized in section 336P.

Key Issues

This amendment recognizes the GST-exclusive method of valuation under clause 3 of the Tenth Schedule. Where this method of valuation is used, the value of the motor vehicle on which the employer is liable for FBT is reduced by the appropriate fraction of 10% plus GST of the cost price of the motor vehicle to the person who receives its benefit. Inland Revenue's current practice in this area will not change.

Application Date

This amendment applies from the date of assent (13 March 1992).

Changes to Tax Payment Dates

Sections 22, 26 and 27

Introduction

These sections change the terminal tax date for non-provisional taxpayers back to 7 February.

Background

The Tax Simplification Consultative Committee (TSCC) recommended that the due date for payment of terminal tax by non-provisional taxpayers be brought forward to 20 November for the 1991/92 income year. Amendments to give effect to that TSCC recommendation were in the Income Tax Amendment Act (No.3) 1990.

Although the TSCC approved a comprehensive set of provisional tax reforms, the total package of recommendations has not yet been adopted which has led to some practical problems. It was soon realised that the change to terminal tax due date for non-provisional taxpayers without the corresponding changes for provisional taxpayers (yet to be adopted) would not be equitable.

Three of those amendments dealing with due dates for payment of terminal tax have been reversed until such time as the new provisional tax regime as a whole is introduced. At that time it is proposed that payment dates will change to the 20th day of the appropriate months

Key Issues

Section 22 amends section 361 to set 7 February as the terminal tax date for all employees.

Sections 26 and 27 amend respectively sections 388 and 395 of the Act, to set 7 February as the terminal tax date for all taxpayers who are not employees and who have a 31 March balance date.

Terminal tax for taxpayers with non standard balance dates is due on the 7th day of the month specified in the Eighth Schedule to the Act.

Application Date

These amendments apply to terminal tax for the 1991/92 and subsequent income years.

Words "Family Benefit" now repealed

Section 24

Introduction

Section 24 of the Amendment Act corrects an oversight by repealing the words "Family Benefit" in section 374D.

Background

Section 374D of the Income Tax Act provides tax credits, known as Family Support Tax Credits, for low income earners with children. With the abolition of family benefit with effect from 1 April 1991, those sections in the Income Tax Act which used that term needed to be amended. These amendments were made by the Income Tax Amendment Act (No 2) 1991. The term was generally replaced with references to a dependent child and the principal caregiver of a dependent child. Through oversight, this amendment was not made to item y in section 374D(2).

Key Issues

This section replaces the words "entitled to receive a family benefit" with the words "a principal caregiver" in item y of section 374D(2).

Application Date

This amendment applies from the date of assent (13 March 1992).

Reference to "Specified War Pension" removed from Act

Section 25

Introduction

An amendment to the Income Tax Act repeals the remaining reference to the "specified war pension" and replaces it with the term "veteran's pension".

Background

As at 1 April 1990, the "specified war pension" was abolished and replaced by the "veteran's pension". At that time, not all references in the Income Tax Act to the "specified war pension" were repealed. The amendment rectifies this anomaly.

Key Issues

The definition of "qualifying person" in the Part of the Act dealing with the guaranteed minimum family income credit of tax contained a reference to "specified war pension". The amendment removes this reference to "specified war pension" and replaces it with the term "veteran's pension".

Application Date

This amendment applies from the date of assent (13 March 1992).

New Start Grants: Tax Write Off in cases of Serious Hardship

Section 28, Income Tax Amendment Act 1992
Section 2, Accident Compensation Amendment Act 1992

Introduction

Section 414 of the Income Tax Act and section 114 of the Accident Compensation Act 1982, which relate to the write off of tax in cases of serious hardship, are amended.

Background

New Start grants are provided to farmers who find themselves in financial difficulties due to adverse events. The package provides a $45,000 grant, clear of any debts, where a farmer enters into an agreement with his/her creditors whereby the farmer's debts would be extinguished by the sale of the farm.

Key Issues

These amendments, contained in the relevant amendment Acts, provide relief from the payment of unpaid tax deductions and Accident Compensation levies where the farmer is in receipt of a New Start grant. The relief is granted only in respect of unpaid tax deductions and ACC levies incurred in the farming activity for which the New Start grant is provided.

Application Date

The amendments apply to New Start grants for previously "approved" adverse events. They will not apply to grants provided for future adverse events.

Record Retention Period reduced

Sections 20 and 29, Income Tax Amendment Act 1992
Section 10, GST Amendment Act 1992

Introduction

The Income Tax Act and the GST Act have been amended to reduce the period for which taxpayers must retain tax records. However, the Commissioner of Inland Revenue has been granted powers to order that these records be kept for longer than the standard period set down.

Background

These amendments give effect to recommendations of the Tax Simplification Consultative Committee (TSCC) relating to Retention of Records.

Key Issues

The standard record retention period has been reduced from ten years to seven years with effect from 1 April 1992. However, this standard period can be extended by the Commissioner for up to three years where a taxpayer is or has been under audit or investigation, or where the Commissioner is contemplating such action. These amendments will apply to GST records as well as income tax records.

Two further changes permit even shorter retention periods in special cases:

- Pay period taxpayers who receive income from which tax has been deducted at source need retain records for only 12 months after the year in which they received it.
- The Commissioner has also been empowered to reduce the records retention period to 12 months for classes of taxpayers who are not provisional taxpayers. These classes are not yet defined in order to leave the Commissioner some discretion in extending this privilege into the wider body of taxpayers. The exemption will apply only to records relating to payments from which tax has been deducted at source.

Application Date

These amendments apply from 1 April 1992

Employer Obligation to advise Employees' Commencement and Cessation

Section 4 and 31

Introduction

From 1 April 1992, an amendment to section 432 of the Income Tax Act 1976 will require all payers of source deduction payments to deliver to the Commissioner of Inland Revenue "employment commencement and cessation certificates" for persons who commence or cease to be to employees of that employer.

Background

The Government's Budget night Statement of Policy on Social Assistance, *Welfare that Works*, announced that employers would be required to inform Inland Revenue of the employment start and finish dates for each of their employees.

Key Issues

Section 432 is amended by the addition of subsections (2) to (7).

Subsection (2) requires every employer who must deliver a remittance certificate pursuant to paragraphs (a), (ab) or (ac) of section 353 for any period commencing on or after 1 April 1992, to also deliver to the Commissioner a signed "employment commencement and cessation certificate" for any persons who commence or cease to be employees of the employer during the period.

Subsection (3) provides that such certificate shall show the name and tax file number of the employer, the name of every person who commenced or ceased to be an employee of the employer, the tax file number of such employees (where supplied) and such other particulars as the Commissioner may require.

Subsection (4) requires that the commencement and cessation certificate shall be delivered not later than the date by which the remittance certificate is required.

Subsection (5) authorises the Commissioner to vary the requirements of subsections (2) to (4) to such extent as the Commissioner thinks fit, provided that the no such variation may impose a more onerous requirement than is imposed by subsections (2) to (4).

Subsection (6) provides that no certificate is required for a period unless a commencement or cessation has occurred in that period. It also permits the Commissioner to specify and exclude any class of employment from the requirements of the section. A certificate is not required for the commencement and cessation of entitlement to national superannuation, veterans' pensions, any income tested benefit or earnings related compensation.

Subsection (7) defines "employee" as including any recipient of a "source deduction payment" as defined in section 6(1). That definition has been amended for the purposes of this obligation so as to include shareholder-employees.

"Employee" includes both shareholder-employees and recipients of withholding payments.

In the case of shareholder-employees, because the operation of section 6(2) and (3) is specifically excluded from the obligations in section 432, all shareholder-employees remain potential recipients of source deduction payments, and the employing company must supply commencement and cessation particulars. Thus, where a shareholder-employee commences or ceases employment with a company on or after 1 April 1992, and there is any prospect of source deduction payment being made as a result of that employment, the commencement (or as the case may be, cessation) must be reported.

In the case of recipients of withholding payments, commencements should be advised where a person accepts any position which gives rise to an entitlement to a withholding payment. Cessations, particularly in the case of casual workers such as fruit pickers, should be advised when the employer considers that person is unlikely to undertake any further work for that employer in the foreseeable future.

Application Date

This amendment applies from 1 April 1992. Thus, "large " employers must submit their first certificate to Inland Revenue by 20 April 1992 and "small" employers by 20 May 1992; in both cases only where an employee has commenced or ceased in their employment after 1 April 1992.

Family Support Income Bands decreased

Section 32

Introduction

A new Eleventh Schedule has been introduced into the Income Tax Act. It decreases the width of the income bands used for classifying the expected income earned by a taxpayer during the coming year in order to calculate that person's entitlement to interim Family Support instalments.

Background

The income bands reduce the chances for Family Support recipients to incur end of year debits due to wage or other unforeseen pay increases during the income year.

Key Issues

The new income bands are amended to ensure that only a maximum of $10 Family Support entitlement is forgone per week. This was the previous maximum Family Support entitlement forgone when Family Support was introduced in 1986. The amendment was necessitated by the increases in the Family Support abatement rates since the scheme was introduced in 1986.

Application Date

The amendment applies to the tax on income derived in the year commencing on 1 April 1992 and applies to applications for interim instalments of Family Support for the 1992/93 income year.

Additions to the Transitional List of Low Tax Countries

Section 33

Introduction

Legislative changes have been made to the Seventeenth Schedule to the Income Tax Act 1976 to add to Part B companies of certain types that are resident in Ireland, Malta, and Malaysia.

Background

The controlled foreign company (CFC) transitional provisions provide that if a CFC is resident at all times during the period from 1 April 1988 to 31 March 1992 in a country or territory other than those listed on the Seventeenth Schedule to the Act, any person who holds an income interest in that CFC is not required to calculate attributed foreign income or attributed foreign loss until 1 April 1992.

The Seventeenth Schedule contains a list of the known tax havens that existed at the time the schedule was formulated. It was amended in 1989 to include companies obtaining tax preferences offered in Fiji and Western Samoa.

Key Issues

As the transitional provisions for the CFC regime have been extended for a further year, the Government has decided that the Seventeenth Schedule should be modified to include companies that utilise additional tax preferences offered in foreign jurisdictions.

Part B of the Seventeenth Schedule has been amended to include a number of specified companies resident in Ireland, Malta, and Malaysia that obtain a tax preference offered in those countries, including:

- Manufacturing companies deriving income in the period to 31 December 2010 from the sale of goods manufactured in Ireland;
- Companies deriving income or capital gains from the following operations:
  - life assurance business with policy holders and annuitants who reside outside Ireland;
  - the management of the investments of one or more unit trusts where all the unit holders are resident outside Ireland.

  These companies incur an effective rate of tax of 10%.
- Companies obtaining tax capital allowances, including initial allowances and accelerated writing down allowances available for qualifying assets of financial type operations carried out in the Shannon Free Airport Zone, and designated Urban Renewal Areas of Ireland;
- Any company that operates in Ireland undertaking administrative or liaison activities;

  Irish corporation tax of up to 15% of overhead expenses is imposed on this type of company;
- Companies obtaining forms of tax relief or complete exemption from tax provided by legislation recently enacted in Malaysia, including:
  - the Labuan Offshore Business Activity Tax Act 1990;
  - the Offshore Banking Act 1990;
  - the Offshore Companies Act 1990;
  - the Offshore Insurance Act 1990;
  - the Labuan Trust Companies Act 1990; and
  - the Promotion of Investments (Criteria for the Grant of Pioneer Status to a Small-Scale Company) Order 1990.
- Companies resident in Malta that obtain relief or exemption from tax under any of the following Acts:
  - the Malta International Business Activities Act 1988;
  - the Offshore Trusts Act 1988;
  - the Malta Freeports Act 1989; and
  - the Merchant Shipping Act 1973.

Application Date

These amendments apply from the date of assent (13 March 1992).

Confirmation of Annual Rates of Income Tax

Sections 34, 35, and 36

Part II of the Amendment Act confirms the rates of income tax and excess retention tax for the 1992 income year. These annual rates are required to be fixed from time to time by an Act of Parliament.

Key issues

The annual rates of income tax for the 1992 income year are the amounts set out in the First Schedule to the Income Tax Act. The rates have not changed.

The rate of excess retention tax for the 1992 income year is the amount set out in clause 11 of Part A of the First Schedule to the Income Tax Act. This rate has not changed.

Application Date

1 April 1991.

Gift Duty Exemption for Superannuation Assignments extended

Section 2, Estate and Gift Duties Amendment Act 1992

Introduction

Section 2 of the Estate and Gift Duties Amendment Act 1992 extends the gift duty exemption for superannuation assignments contained in section 74 of the Estate and Gift Duties Act 1968. The exemption now covers elections by group superannuation scheme members to receive a reduced pension in return for the payment, commencing before the member's death, of a pension to the member's spouse.

Background

Section 74 of the Estate and Gift Duties Act 1968 previously exempted from gift duty elections by members of group superannuation schemes to receive a reduced retirement allowance or pension in return for the payment, after the member's death, of a pension to the surviving spouse or to any dependant.

Key Issues

The gift duty exemption in section 74 of the Estate and Gift Duties Act 1968 is extended to cover elections by group superannuation scheme members to receive a reduced pension in return for the payment, commencing before the member's death, of a pension to the member's spouse.

The types of assignment which the amendment would apply to are typically those which allow for a more equitable superannuation provision to be made for non-contributor spouses.

An example of a statutory assignment which would benefit from the amendment is contained in section 91B of the Government Superannuation Fund Act 1956. This provision allows contributors to the fund to elect to surrender up to one-half of their superannuation entitlement in return for the immediate payment of an annuity to another person.

The type of superannuation assignment covered by the amendment could previously gain access to a gift duty exemption by being incorporated in a matrimonial property agreement. This option, however, is less desirable than a specific gift duty exemption as it imposes additional compliance costs on assignors who may be compelled to incur the significant cost of having a matrimonial property agreement drawn up for the reason only of effecting a superannuation assignment which does not incur a gift duty liability.

Application Date

This amendment applies from the date of assent. (13 March 1992)

Use of symbols allowed on Electronically Transferred Tax Invoices, Debit and Credit Notes

Section 2 and 7, Goods and Services Tax Amendment Act 1992

Introduction

An amendment to section 2 of the GST Act and the insertion of new section 25A into the Act allows registered persons to use symbols, abbreviations or other notations on a tax invoice or a credit or debit note to represent particulars that are required to be shown on a tax invoice or a credit or debit note. Symbols can only be used where the tax invoice or credit or debit note is to be sent by electronic transfer.

Background

The GST Act requires particulars to be shown on a tax invoice or a credit or debit note. This can add to the costs and efficiencies of transmitting data electronically. The amendment allows for these particulars to be represented by symbols, abbreviations or other notations.

Key issues

The Commissioner may approve, for the purposes of facilitating the electronic transfer of tax invoices and credit and debit notes, the use of symbols, abbreviations or other notations to represent the particulars required to be shown on a tax invoice or a credit or debit note. For example, the abbreviation “TI” may represent the words “tax invoice”.

Such approval may apply generally to all registered person or a specific registered person or class of registered persons. The Commissioner may impose conditions as to the use of symbols, abbreviations or other notations. Any approval given can be withdrawn or modified by the Commissioner at any time on giving reasonable notice.

Credit note and debit note have been defined to be a document and therefore can be in an electronic format.

Application date

This amendment applies from the date of assent. (13 March 1992)

Use of Trading Names on Tax Invoices allowed

Section 2 and 9, Goods and Services Tax Amendment Act 1992

Introduction

A registered person may now use a trading name on tax invoices and credit and debit notes as a result of an amendment to the GST Act.

Background

This amendment enacts one of the Tax Simplification Consultative Committee's recommendations. Previously a registered person was not allowed to use a trading name on tax invoices or credit and debit notes. Instead, the registered person's name was required to be shown and if the trading name was used, the tax invoice could not be used to claim a GST input tax credit.

Key Issues

The amendment allows a registered person to apply to the Commissioner to adopt a trading name.

The trading name can be used on tax invoices and credit and debit notes instead of the actual name of the registered person. A registered person can only use one trading name.

An application to adopt a trading name or change a trading name can be made either:

(a) at the time of registration; or

(b) by specifically notifying the trading name to be adopted and the date from which it will be used to the Commissioner.

The Companies Act requires a company to use its company name on all invoices, receipts and notices. Therefore if a company wishes to use a trading name it must also use the company name.

Application date

This amendment applies from the date of assent. (13 March 1992)

GST Zero-Rated on Sales from Airport Duty-Free Shops

Section 3, Goods and Services Tax Amendment Act 1992

Introduction

An amendment to the GST Act zero-rates GST on supplies made by certain duty-free shops to inbound air travellers and to travellers who purchase goods on their departure from New Zealand and uplift them on their return.

Background

The amendment clarifies the question of GST on duty-free purchases. The law required GST to be charged on supplies made to inbound travellers, but not on supplies made to travellers leaving the country. In practice, duty-free stores have tended to zero-rate all sales.

Key Issues

The amendment applies to duty-free stores which are licensed as export warehouses and which operate within the Customs processing area at international airports.

These duty-free stores may now zero-rate the GST on supplies made to inbound air travellers and to outbound air travellers who uplift goods upon returning to New Zealand.

Application Date

This amendment applies from 1 October 1986.

GST: Zero-Rating of Temporary Imports clarified

Section 4, Goods and Services Tax Amendment Act 1992

Introduction

This provision amends section 11(2)(c) of the Goods and Services Tax Act 1985. This amendment recasts the original provision and provides that where services are provided in relation to goods temporarily imported into New Zealand, only the final service provided to the non-resident is zero rated.

Background

One of the founding principles of the GST Act is that goods and services consumed in New Zealand should be subject to GST and goods and services consumed overseas should be free of GST.

Key Issues

Where services are performed on a temporarily imported good but the services are provided to a resident, consumption occurs in New Zealand and therefore the services will be standard rated. Where the service is provided to a non-resident, consumption occurs overseas and therefore the service should only then be zero rated. This amendment clarifies the intention of the existing legislation.

Application Date

This amendment applies from the date of assent (13 March 1992).

Taxable Period Returns

Section 5, Goods and Services Tax Amendment Act 1992

Introduction

An obvious drafting error in the second proviso to section 16(1) of the GST Act is corrected.

The proviso should allow a return otherwise due on the last working day of December to be furnished by 15 January in the following year. However, the proviso referred to the same year, which made the furnishing of the return by that date impossible.

Key issue

The provision has be amended to refer to the following year.

Application date

This amendment applies from the date of assent (13 March 1992).

GST: Change of Accounting Basis requirements simplified

Section 6, Goods and Services Tax Amendment Act 1992

Introduction

The GST Amendment Act 1992 made changes to the provisions governing a change in accounting basis, contained in section 19C of the GST Act. Registered persons now calculate their tax to pay by reference only to their live creditors and debtors contained in the lists required to be produced under section 19B of the GST Act.

Background

Inland Revenue had been alerted to the possibility of a misinterpretation of section 19C of the Goods and Services Tax Act 1985. The wording of the section in places seemed to indicate that registered persons could be required to hold records for longer than the maximum period, right back to the introduction of the GST, although in practice this was not the case.

Key Issues

Section 19C of the GST Act provides formulae for the calculation of any adjustment needed should registered persons change their accounting basis between an invoice, payments, or hybrid basis.

The amendment to section 19C simplifies the formulae set out in subsections (2) to (7), to the extent that they now require input tax and output tax to be taken into account only in relation to amounts due to or by persons included in the list of creditors and debtors required to be produced under section 19B of the Act.

It has been Inland Revenue's practice to make the adjustment in this manner, rather than to look at all the taxable periods right back until the introduction of GST. Section 19B details the lists of debtors and / or creditors that are required to be produced for each possible change in accounting basis.

The amendment means the legislation will now reflect Inland Revenue's practice, taking into account only live creditors and debtors when making the adjustment.

Application Date

The amendment applies from the date of assent (13 March 1992).

TRA may dismiss Objections for Non-Appearance

Section 4, Inland Revenue Department Amendment Act 1992.

Introduction

This amendment operates to permit the Taxation Review Authority to dismiss an objection made by a taxpayer where there has been a failure by that taxpayer to attend any hearing of the objection.

Background

On occasions, a taxpayer will fail to appear in support of an objection made to an assessment.

The failure to give advance notice of an intended non-appearance typically disrupts the hearings schedule of the Taxation Review Authority and results in avoidable expense.

Previously, where an objector failed to appear, the Authority could either adjourn the hearing or determine the objection in the absence of the objector. As the burden is on an objector to establish that the assessment is in error, the latter option inevitably resulted in the objection being dismissed. However, the Authority still had to hear the evidence for the Commissioner of Inland Revenue before it could dismiss the objection.

Key Issues

The amendment permits the Authority to dismiss an objection for non-appearance on the part of the objector without formally hearing the objection. The power to reinstate an objection on application by the objector is retained unchanged.

Application Date

These amendments are effective from the date of assent (13 March 1992).

Child Support Living Allowance

Amendment to Child Support Act

Introduction

Child Support will generally be assessed by way of a basic formula which takes into account a liable parent's income, their current living circumstances, and the number of children for whom they are liable to pay.

Background

Under a formula assessment, a liable parent's relevant income is reduced by a living allowance. The level of the living allowance is dependent on the liable parent's current living circumstances. Section 30 of the principal Act provides that the living allowance is increased by the maximum family support payment for each "dependent child" living with the liable parent.

Key Issues

Where the custody of a child is shared between parents, each parent should be treated as being both a liable parent and a custodian. The living allowance for each parent should be calculated as if both parents have full custody of the child.

However, the term "dependent child" was defined to exclude any child in respect of whom the person is liable to pay child support. A dependent child could therefore not be taken into account for determining the living allowance, and the legislation did not reflect the policy intent.

Paragraph (c) of section 30(5) has been repealed to correct this.

Application Date

These amendments are effective from the date of assent (13 March 1992).

Recent Legislation - Gaming and Lotteries Amendment Act makes Consequential Amendments to Revenue Acts

Introduction

The Gaming and Lotteries Amendment Act (No 2) was assented to on 29 August 1991.

This legislation primarily amends the Gaming and Lotteries Act 1977 but also makes a number of consequential amendments to the Gaming Duties Act 1971, the Goods and Services Tax Act 1985, and the Income Tax Act 1976.

Background

The Gaming and Lotteries Amendment Act (No 2) 1991 amends the Gaming and Lotteries Act 1971 in two areas. First, the amendment allows the New Zealand Lotteries Commission to conduct instant games as games of chance, rather than as prize competitions. Secondly, it improves the regulation of a variety of instant games.

Key Issues

A number of consequential changes to the Income Tax Act 1976, the Goods and Services Tax Act 1985 and the Gaming Duties Act 1971 were made by the Gaming and Lotteries Amendment (No 2) 1991.

New Zealand instant games, such as Instant Kiwi, have been brought within the regimes in the Gaming Duties Act 1971 and the Goods and Services Tax Act 1985 which applies to other types of New Zealand lotteries.

The definition of "gambling" in the Accruals Rules in the Income Tax Act was consequentially amended to include New Zealand instant game, New Zealand lottery, and New Zealand prize competitions.

Application Date

These amendments came into force on 29 August 1991.

List of Inland Revenue Publications as at April 1992

No.	Subject	Latest Print
IR 24	IRD Calendar	April 1992
IR 184	Employers Guide	March 1992
IR 257	Running a Small Business?	September 1991
IR 259	National Superannuitant Surcharge	February 1992
IR 260	Depreciation	May 1991
IR 266	Objection Procedures	June 1991
IR 274	Imputation (written for companies)	February 1990
IR 274B	Dividend Imputation (written for shareholders)	May 1989
IR 275	International Tax Guide	June 1989
IR 279	Interest PAYE	June 1990
IR 282	Putting your Tax Affairs Right	March 1990
IR 283	Interest PAYE Payers' Guide	June 1990
IR 283L	Interest Earnings and Your IRD Number	September 1991
IR 284	Dividend PAYE	September 1989
IR 287	Problem Resolution Service	May 1989
IR 288	Taxation of Trusts	May 1989
IR 289	Provisional Tax	April 1991
IR 291A	Approved Issuer Levy	August 1991
IR 292	New Zealand Tax Residence	April 1991
IR 409	Fringe Benefit Tax Guide	April 1989
IR 634	Estate and Gift Duties	November 1991
IR 680A	Gaming Machine Duty	February 1992
GST 600	GST Guide	September 1991
CS 1	Child Support - a Parent's Guide	March 1992
CS 3	Child Support - an Introduction	March 1992

We're currently updating the Provisional Tax Book (IR 289), the Stamp Duty Book (IR 665) and the GST Guide to Registration (GS 605). All of these should be available shortly.

Due Dates Reminder

April

14 RWT on interest deducted during March 1992 due for monthly payers.

RWT on interest deducted from 1 October 1991 to 31 March 1992 due for six-monthly payers.

RWT on dividends deducted during March 1992 due.

Non-Resident Withholding Tax deducted during March 1992 (or approved issuer levy) due.

20 PAYE deductions and IR 66ES for first 15 days of April due - "large" employers only.

PAYE deductions and IR 66ES for March due - "small" employers.

Completed Tax Deduction Certificates for the year ended 31 March 1992 should have been distributed to all employees.

FBT return and payment for quarter ended 31 March 1992 due.

FBT annual return (1 April 1991 to 31 March 1992) due for employers who pay no fringe benefits.

Gaming Machine Duty return and payment for month ended 31 March 1992 due

30 GST return and payment for period ended 31 March 1992 due.

May

5 PAYE deductions and IR 66ES for last 15 days of April due - "large" employers only.

7 First instalment of 1993 provisional tax due for taxpayers with January balance dates.

Second instalment of 1992 provisional tax due for taxpayers with September balance dates.

Third instalment of 1992 provisional tax due for taxpayers with May balance dates.

14 RWT on interest deducted during April 1992 due for monthly payers.

RWT on dividends deducted during April 1992 due.

Non-Resident Withholding Tax deducted during April 1992 (or approved issuer levy) due.

20 PAYE deductions and IR 66ES for first 15 days of May due - "large" employers only.

PAYE deductions and IR 66ES for April due - "small" employers.

Gaming Machine Duty return and payment for month ended 30 April 1992 due

31 GST return and payment for period ended 30 April 1992 due.

Specified Dividend Reconciliation (IR 17S or IR 17SA) for RWT on dividends due.

Annual reconciliation statement (IR 15S) due for RWT on interest.