



Tax Working Group
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This paper contains advice that has been prepared by the Tax Working Group Secretariat for consideration by the Tax Working Group.

The advice represents the preliminary views of the Secretariat and does not necessarily represent the views of the Group or the Government.

Coversheet: The Generic Tax Policy Process

*Position Paper for Session 14 of the Tax Working Group
20 July 2018*

Purpose of discussion

New Zealand has a formalised Generic Tax Policy Process (GTPP) which contains opportunities for public engagement throughout the different phases of the policy process. We consider that the GTPP plays an important role in creating and sustaining a tax system that is both widely accepted by taxpayers, and is able to respond to New Zealand's changing needs. Nevertheless, improvements could be made to the process to ensure it achieves intended outcomes. This paper outlines the benefits and costs of the GTPP in its current form, and makes comparisons with other jurisdictions. It then outlines the refinements to the GTPP being developed by tax policy officials in response to feedback from key stakeholders, which we think addresses many of the submissions made to the Tax Working Group.

Recommended actions

We recommend that you:

- a **note** that we consider that the GTPP is a fit for purpose model for tax reforms, but some improvements can be made to ensure it achieves its intended outcomes.
- b **note** that Inland Revenue and the Treasury are currently developing further improvements to the GTPP to address feedback from key stakeholders.
- c **note** that the model for engagement with Māori on tax reforms will be guided by the Government's Crown/Māori engagement model currently being developed.
- d **indicate** what comments, if any, the Group wishes to make in the interim report in relation to GTPP.

The Generic Tax Policy Process

*Background Paper for Session 14
of the Tax Working Group*

July 2018

Prepared by the Inland Revenue Department and the Treasury

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Executive Summary

New Zealand's tax policy process plays an important role in creating and sustaining a tax system that is both widely accepted by taxpayers, and is able to respond to New Zealand's changing needs. Our formalised Generic Tax Policy Process (GTPP) model includes a strong consultative component, and has support from the private sector, tax officials, and government ministers. There are opportunities for public engagement throughout the different phases of the GTPP.

The GTPP and public engagement improves policy and regulatory outcomes, and informs stakeholders in advance of regulatory changes. Consultation can also enhance voluntary compliance because it allows taxpayers more time to understand why we need to change, and more time to adjust to changes. There are costs to both submitters and the government in terms of resources required to make a submission, and it can increase the time it takes to develop policy proposals. However, on balance we consider that the benefits outweigh the costs.

Tax policy officials recognise that further improvements can be made to the GTPP to ensure it remains fit for purpose. Work is underway to develop ways in which the GTPP can be refined. Through initial discussions with stakeholders, officials have identified that the following principles should be applied to public engagement on tax policy initiatives:

- Earlier and more frequent engagement
- The use of a greater variety of engagement methods
- Wider engagement
- Greater transparency and accountability

However, in addition to processes, it is also important to note that New Zealand's broad-base low-rate tax framework plays a role in facilitating productive and cooperative engagement between officials and the private sector. Having an agreed framework helps ensure that both parties are working towards the same goal.

1. New Zealand's tax policy consultation framework – the Generic Tax Policy Process

1.1 The Generic Tax Policy Process

1. New Zealand has a tax policy process that plays an important role in creating and sustaining a tax system that is both widely accepted by taxpayers, and is able to respond to New Zealand's changing needs. Recent commentators have noted its value (Vial, 2017) and that it works fairly well (Little, Nightingale & Fenwick, 2013). Our formalised Generic Tax Policy Process (GTPP) model includes a strong consultative component, and has support from the private sector, tax officials, and government ministers. A 2007 report by the Australian Board of Taxation on tax consultation processes identified New Zealand as having a best practice model for consultation (see also Wales & Wales, 2012).
2. In a 1994 report, the Inland Revenue Organisational Review Committee stated that the GTPP's main objectives were:
 - To encourage early consideration of key policy elements and trade-offs,
 - To provide an opportunity for substantial external input into the policy formation process, and
 - To clarify the responsibilities and accountability of participants in the process.
3. These objectives are achieved through five phases:
 - a. Strategic phases: high level economic strategy; fiscal strategy; revenue strategy
 - b. Tactical phases: rolling three-year work programme; annual work and resource plan
 - c. Operational phases: detailed policy design; formal detailed consultation and communication; ministerial and Cabinet signoff of detailed policy
 - d. Legislative phases: drafting of legislation; ministerial and Cabinet signoff of legislation; introduction of bill; select committee phase; passage of legislation
 - e. Implementation and review phases: implementation of legislation; post-implementation review; identification of remedial issues
4. There are opportunities for public engagement throughout these phases.
5. The strategic phase of the GTPP involves the development of an economic strategy, a fiscal strategy, and a revenue strategy. While no formal consultation processes are in place for this phase, broad policy proposals may be publicised through channels such as budget documentation.
6. In the tactical phase, targeted consultation takes place with the private sector to identify the tax policy issues which are important to them, so that the government can prioritise which tax policy issues will be addressed over the next 18 months.

Consultation on the development of the work programme, combined with published information about the current work programme, means that the public knows what changes are being contemplated.

7. In the operational phase, formal detailed consultation currently takes place during detailed policy design. On major reforms, consultation will often involve the release of a government consultation document. Normally, about six weeks are allowed for submissions (although sometimes this can take longer or shorter depending on the circumstances), and during the submission period officials may have face-to-face meetings with affected taxpayers. After the submissions have been received and considered, officials will report to the government on them.
8. The government may either decide to start preparing legislation taking into account what has been learned from submissions, or ask for further consultation on specific issues. This may involve direct consultation on specific points or the release of another consultation document seeking further submissions on those specific points.
9. In the legislative phase, the Finance and Expenditure Committee will consider submissions from the public as part of the legislative process. The Committee, on advice from officials, may then recommend that further changes be made in line with those submissions, or recommend that submissions be declined.
10. While we consider that the GTPP is a fit for purpose model, we believe there is room for further improvement. Tax policy officials are committed to improving the GTPP to ensure that the aims of GTPP are supported by our processes.

1.2 The policy development process

11. The policy development process largely occurs in the operational and legislative phases of the GTPP, and is made up of six stages:
 - Concept: identifying issues and opportunities, clarifying the scope of the issue, and getting approval to begin project planning.
 - Plan: forecasting the time and resources required for the project.
 - Research: undertaking research and analysis, identifying the options, costs and impacts. Getting approval to consult externally.
 - Develop: this stage covers consultation, finalising policy options, costs and impacts, getting Ministerial and Cabinet approval for the policy changes, developing draft legislation.
 - Legislate: this stage covers the parliamentary process and communication about any resulting legislation.
 - Complete
12. Generally, consultation usually occurs only once the project has reached the “Develop” stage. This is when some research and analysis has already been undertaken on the issue, and options to address the issue have been identified.

Some consultation also occurs in the “Legislate” stage through the Select Committee process.

13. Tax policy officials are committed to ensuring early and continuing engagement with the public on tax changes, and exploring new ways to broaden the public’s engagement with the development of tax policy.

1.3 Costs and benefits of the GTPP

14. The GTPP improves policy and regulatory outcomes and informs stakeholders in advance of regulatory changes. Submitters will often have better access to empirical information on the size and nature of the policy problem or opportunity. Consultation can also enhance voluntary compliance because it allows taxpayers more time to understand why we need to change, and more time to adjust to changes. There is an added sense of legitimacy and shared ownership if stakeholders have been given a chance to provide input into the development of new rules.

15. Other practical benefits of consultation include:

- Better information, contributing to better quality regulatory proposals;
- Diagnosing the size and nature of the problem so solutions will work;
- Bringing alternative perspectives and the expertise of those directly affected by proposals;
- Bringing creativity and innovation to possible solutions;
- Providing valuable input as to how realistic or practical a proposal is, as well as identifying potential unintended effects that policy makers have not considered;
- Increased scrutiny of officials’ analysis and advice, allowing potential problems with a proposal to be identified and resolved early;
- Helping regulators to balance opposing interests;
- Increasing durability of reforms – better designed policies are less likely to need amendments once introduced;
- Increased public buy-in and acceptance of changes, as stakeholders are more likely to accept proposals that they have been involved in developing; and
- Improved understanding and increased compliance, reducing enforcement costs.

16. There are also costs associated with the GTPP. For the private sector, a considerable amount of time and resource goes into preparing submissions and engaging with officials in workshops and other more informal processes. Tax policy officials acknowledge and appreciate that the private sector bears this cost not necessarily out of self-interest but in order to ensure that good tax policy is developed for the benefit of New Zealand and the wider economy.

17. For the government, following the full GTPP process means that policy development takes longer, but outcomes are more durable.
18. We would expect that the benefits of the GTPP help increase New Zealand's social capital by providing opportunities for public engagement and participation in tax and social policy reforms. The GTPP is also designed to provide clear accountabilities and greater transparency in Government decision-making, which also contributes to increasing our social capital. However, there are risks to New Zealand's social capital if the GTPP is not working as intended – for example, if stakeholders do not feel that they have been genuinely engaged.
19. On balance, we think that the private sector, the government, and policy officials can agree that the benefits of having the GTPP outweigh its costs. However, we also acknowledge that it is important to address any gaps in current processes or practices to ensure that the GTPP does achieve its intended outcomes in practice.

1.4 International comparisons

20. In a comparison of tax policy structures and processes across the world, New Zealand was singled out for the following strengths and unique characteristics (Wales & Wales, 2012):
 - It is unusual that we have mapped out various steps and stages of policy-making which we have stated publicly, which the private sector can use to hold officials to account.
 - Unusual that we have the policy lead taken by the tax administrator and not the Treasury.
 - GTPP encourages close contact with the private sector. Since the GTPP was implemented, government-private sector relations on tax policy have generally been positive.
 - Trusted members of the private sector are part of the policy development community. Engagement by the private sector extends beyond self-interest.
 - Commitment to consultation is not just on paper, but an integral part of the culture of policy development.
 - The 2010 Tax Working Group process was cited as having been used to good effect in raising the profile of tax issues and choices with the general public.
21. New Zealand is an exception internationally in having the tax policy function being led by the tax administrator (Inland Revenue) as opposed to the Treasury. This means that tax policy officials must be cognisant of the need to strike the right balance between providing independent, free and frank advice to Ministers and maintaining the integrity and coherence of the tax system. The Treasury's tax strategy team plays an important role in holding Inland Revenue's policy advice accountable and providing an alternative view. This arrangement increases the extent to which tax policy advice is tested internally before issues are put to ministers or released for public consultation (Little, et al., 2013).

22. Reviews of tax policy development processes across the world noted there are a number of advantages to having the tax policy function led by the tax administration. The tax policy function is better informed by being closer to the “coalface” and benefits from greater intelligence flows. It also helps mitigate the risk of developing tax policy which is difficult to implement and enforce in practice (Wales & Wales, 2012; Arnold, 2013).

United Kingdom

23. The United Kingdom also has a well-developed and formalised process of consultation with businesses. Her Majesty’s Revenue and Customs (HMRC) have for example adhered to a tax consultation framework similar to the GTPP in formally setting out the stages of development and implementation of tax policy, and opportunities for public engagement throughout those stages. There are other procedural issues covered by the framework document, such as a commitment to:

- At least one round of formal, written, public consultation in areas of significant reform;
- Minimising confidential consultation in order to ensure greater transparency;
- Providing feedback on submissions received on proposals;
- Clearly communicating the scope and purpose of consultation;
- The minimum amount of time to be provided for different consultation processes; and
- Clearly communicating the exceptions to the framework (for example, the government will generally not consult on tax rate or threshold changes, or for anti-avoidance measures where consultation could present a risk to the Exchequer).

24. At a more detailed level, UK tax policy consultation includes useful processes which are tailored for different stages of policy development – for example, “calls for evidence” which ask specific factual questions as opposed to full consultation on the content of more developed policy proposals.

Australia

25. Australia does not have a formalised process like the GTPP which outlines the various stages of policy development and opportunities for public input. However, there is still consultation on most significant announced tax measures which follow certain principles similar to that of the GTPP and the HMRC’s tax policy consultation framework.

26. In 2001 Australia established the Board of Taxation, largely made up of private sector tax practitioners appointed by the Treasurer, in part to operate as a communication channel between the Treasury, the Australian Tax Office, and the private sector. Some submitters to the Tax Working Group have suggested that New Zealand might benefit from forming an independent tax body similar to the Australian Board of Taxation.

27. While processes play a key role in determining the quality of policy development, equally important to New Zealand's largely successful consultation model is the strength of New Zealand's broad-based low-rate tax framework and the level of buy-in by the private sector of that framework (Little, et al., 2013).
28. Having an agreed framework helps ensure that both parties are working towards the same goal and it is less likely that the private sector makes self-serving submissions on policy proposals. New Zealand tax policy officials have heard anecdotally from private sector advisors that their overseas counterparts have more of an adversarial relationship with government officials as opposed to genuine cooperation.

1.5 Refinements to GTPP

29. Inland Revenue currently has work underway to improve its tax policy consultation processes. It recently held workshops with key stakeholders and drafted a new tax policy engagement framework which outlines improvements that can be made to the GTPP on the basis of feedback from stakeholders. Our stakeholders did not consider that wholesale changes to the GTPP are necessary but there is room for improvement in certain areas.
30. The proposed changes are intended to reaffirm Inland Revenue and the Treasury's commitment to existing GTPP consultation processes for each stage of policy development. They also seek to formalise further enhancements to current processes where gaps have been identified, and to reflect how the GTPP has evolved through the years. The proposals are also intended to ensure that the tax policy process is consistent with the Department of Prime Minister and Cabinet's best practice guidelines for policy development.¹ It is intended that they will apply formally across the board following public feedback on our proposals.²
31. Officials are committed to the following principles for all policy reforms:
 - Earlier and more frequent engagement
 - The use of a greater variety of engagement methods
 - Wider engagement
 - Greater transparency and accountability
32. The next steps to finalise the tax policy engagement framework are to:
 - analyse and incorporate the feedback officials have received from stakeholders on the draft engagement framework; and
 - report to Ministers seeking their agreement to the framework and its release.

¹ "Start Right" DPMC Policy Project. Refer to Appendix B.

² Note however that the proposed refinements have yet to receive Ministerial approval. Once Ministers agree, it is intended that the new Policy Consultation Framework document be released publicly.

33. It is noted that a number of submissions to the Tax Working Group suggested changes to the GTPP. Many of these have already been picked up as part of Inland Revenue's work to improve the GTPP and are embodied in the principles stated above.
34. The need for flexibility in managing issues, timing, and resource needs will affect the scope for consultation on a case by case basis. Therefore the proposed processes outlined below are not intended to be a prescriptive model of consultation to be strictly followed in all cases – there will be situations where a departure from the model process is justified.³

Early and frequent engagement

35. Earlier engagement helps to refine the problem definition and identify what might be plausible solutions or opportunities. This may result in the need for less consultation later in the policy development process, as many of the issues will already have been worked through before the details of the proposals are consulted on. It can also help with appropriately scoping the project early on, which can help policy officials to more efficiently allocate policy resources.
36. We expect that engagement will be spread out over the course of the policy development process, and that it will become part of a more iterative process. This is consistent with the “Start Right” approach to policy development proposed by the Department of the Prime Minister and Cabinet (DPMC) Policy Project (see Appendix B).
37. The public will be notified on what the Government is working on or intending to work on. This already occurs for most policy issues through the publication of the Government's Tax Policy Work Programme (TPWP), which is refreshed every 18 months.
38. We are proposing to regularly publish an updated TPWP as new items are added. We intend for this updated TPWP to be a living document, which will provide a status report of various policy issues and a short description of the problem definition for each issue. Interested parties could then contact tax policy officials if they have any issues with how the problem has been defined, or simply to express interest in being included in any preliminary consultation.
39. If officials want specific factual information in these preliminary stages of the policy development process (for example, information on the kinds of commercial arrangements that are common in a particular sector), this will be noted in the published TPWP next to the new item. This helps to continually build up an evidence base for developing policy.
40. Officials are also developing processes to communicate the Government's remedial work programme, and to provide interested parties (such as the tax practitioner

³ Discussed further in the “Exceptions” section from paragraph 61 onwards.

community) with the opportunity to identify remedial issues which should be addressed. Where appropriate, this will allow engagement on a review of the effectiveness of policies that have been implemented and address any gaps in the rules.

41. We recognise that engaging with policy issues and making submissions comes at a cost to submitters, as often a significant amount of resource is dedicated to preparing submissions. However, we think it will reduce the amount of resource needed to analyse more detailed policy options later in the policy process. Those who do not wish to participate in the earlier engagement with officials to scope the problem definition are free to decline, and instead engage later when more detailed policy options are presented.

Methods of engagement

42. For significant policy changes, there will be at least one round of formal public consultation. This already occurs for the vast majority of projects and will continue. However a greater focus will be placed on ensuring that the method of engagement used is fit for purpose. While a consultation document may be appropriate in most circumstances, officials will have regard to:

- the intended audience and how best to communicate with them;
- who is likely to be affected by the proposal;
- the scope and scale of the proposal; and
- the purpose of the consultation.

43. Some alternative engagement tools include the use of:

- Focus groups with customers
- Workshops with representative industry bodies and/or community organisations, market participants, and service providers
- Online forums
- Use of multimedia content across different languages
- Culturally tailored methods of engagement – e.g. hui which follow tikanga principles when engaging with Māori
- Face to face discussions with affected customers.

44. Many of these alternative engagement tools facilitate active participation by stakeholders, in some respects co-producing the policy solution. Officials will need to weigh up the time and cost required for each engagement tool, and what outputs are created. This will then be incorporated into officials' project planning processes. Different engagement tools will be added to this list as and when they become more commonly used.

45. When consultation takes place, officials will ensure that the scope of the consultation is clearly communicated. It should be clear what has already been decided (and why), and what scope there is left to influence the outcome.

46. The use of confidential consultation will be minimised in order to ensure that consultation is transparent, and all interested parties have an opportunity to participate.

Wider engagement

47. Currently Inland Revenue has strong links with large accounting and legal firms, and industry bodies such as Chartered Accountants Australia and New Zealand and the New Zealand Law Society. However officials have identified that stronger links need to be formed with:

- non-profit and community organisations;
- youth;
- Māori and iwi representatives;
- specific industry and sector representatives;
- accounting software providers;
- small and medium businesses; and
- members of the general public.

48. The Government is in the process of developing an engagement model for Māori as part of its Crown/Māori relations framework. Until that new engagement model has been finalised, engagement with Māori will be guided by the Crown’s proposed intent and values as set out below.

Area for consultation	Proposed detail	
Intent	To work with Māori to respond better to the range of needs, aspirations, rights and interests and provide for active partnership with Māori in the <i>design and implementation</i> of the process and outcomes sought.	
Values	Partnership	The Crown and Māori will act reasonably, honourably and in good faith towards each other as Treaty partners.
	Participation	The Crown will encourage, and make it easier for Māori to more actively participate in the relationship.
	Protection	The Crown will take active, positive steps to ensure that Māori interests are protected.
	Recognition of cultural values	The Crown will recognise and provide for Māori perspectives and values.
	Use mana enhancing processes	Recognising the process is as important as the end point; the Crown will commit to early engagement and ongoing attention to the relationship.

49. For some policy initiatives, engagement with the tax practitioner community may be sufficient. However, in areas like social policy and not-for-profit tax issues, wider

engagement will be necessary. Tax policy officials are committed to identifying and developing stronger links with interested stakeholders in these areas and using them effectively, while acknowledging that it may take some time to develop.

50. Wider engagement also means that where appropriate, we will seek feedback on a wider range of policy products. Draft legislation, commentaries, and Tax Information Bulletin (TIB) items on certain policy items could, in appropriate circumstances, benefit from prior consultation before they are finalised. Consultation or external peer review on draft legislation could help ensure that it does achieve the policy intent and resolve any inconsistencies. Draft commentaries and TIB items can also be consulted on to ensure they accurately communicate the policy intent, and submitters could suggest areas in which further guidance would be helpful.

Transparency

51. The 1994 Organisational Review Committee recognised that consultation must be, and be seen to be, genuine. Genuine consultation is a two-way flow of information, and this should include another flow of information back to submitters. This will be better achieved through a more transparent process to feed back to submitters how officials have considered their points, whether any changes have been made to proposals as a result of their submission, and why or why not.
52. Following consultation, feedback will be provided to submitters to communicate the Government's response to the submissions. This would note what has changed as a result of the consultation, and why or why not.
53. Feedback will be provided in a timely manner, within 12 weeks of the consultation taking place. If this is not achievable, officials will provide an explanation of why this is not possible.
54. Under existing processes, officials report to Ministers once submissions on a proposal have been received. This will include a summary of the submissions, as well as recommended responses to those submissions. Proactive release of these reports would help improve the flow of information back to submitters, increasing the level of transparency in formal consultation processes. Releasing existing information also means that this could be achieved without much more additional resource being required to achieve this greater transparency.
55. However, this proactive release would be subject to certain legal or other practical requirements – for example, tax secret information cannot be released unless one of the exceptions in the Tax Administration Act 1994 would support its release. Requirements under the Official Information Act 1982 will also be considered when deciding whether to release certain information.

Remedial issues

56. The purpose of a remedial amendment is to ensure that tax legislation aligns with the original policy intent. As the policy would have been through a full consultation

process before it was enacted, we generally see little value in consulting widely on remedial issues.

57. However, some targeted consultation will help ensure that remedial amendments:

- achieve the desired policy outcome;
- are able to be easily applied (is the legislation clear and unambiguous?);
- do not increase compliance or administration costs; and
- do not have any unintended consequences.

58. It should be made clear that the policy is settled and only details concerning the above four matters are subject to consultation. So far, these matters have been left until the Select Committee process to be ironed out, as they mostly concern how the legislation has been drafted. However, in some circumstances it would be beneficial to use some form of limited consultation to test the practicality of proposed solutions and to gather relevant data.

Post-implementation review

59. Some submitters to the Tax Working Group have noted that implementation and review of policy has been weak, despite formally being a part of the GTPP.

60. Tax policy officials are developing processes to communicate the Government's remedial work programme, and to provide interested parties (such as the tax practitioner community) with the opportunity to identify remedial issues which should be addressed. Where appropriate, this will allow engagement on a review of the effectiveness of policies that have been implemented and address any gaps in the rules.

Exceptions

61. While we recognise the importance of providing a clear and transparent set of principles on which consultation processes should be based, we think it is important that processes have enough flexibility to adapt to unique circumstances. There will be some circumstances where full consultation is not appropriate or possible given the costs and benefits associated with engaging on that particular issue. However, the government and policy officials will ensure that these exceptions to usual consultation processes are only allowed on a principled basis.

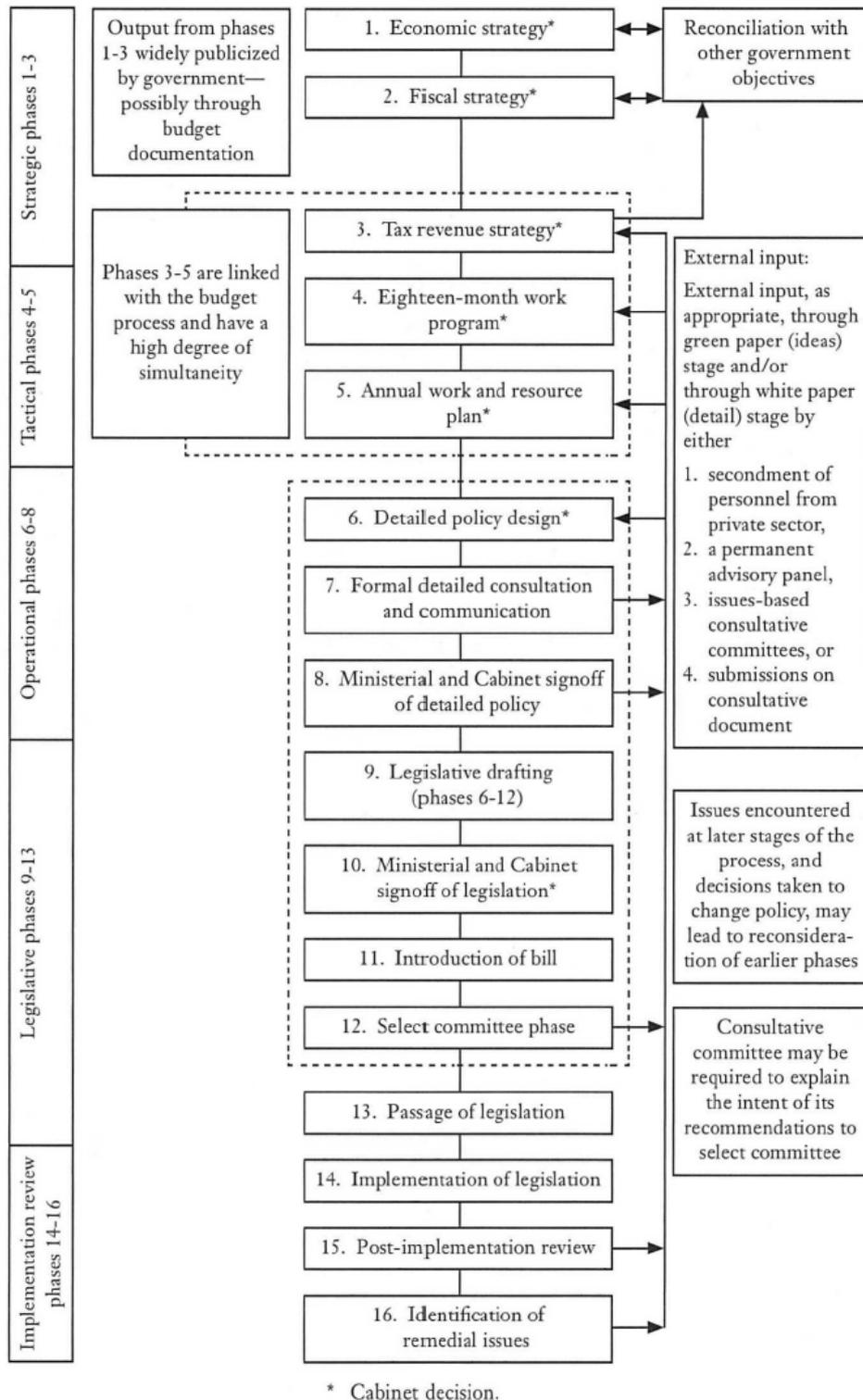
62. For example, under GTPP there is generally an exception to wide public consultation for revenue protection or anti-avoidance measures. This is because prior consultation on these measures could provide taxpayers the opportunity to rearrange their affairs prior to the enactment of the proposed measures. This would reduce the amount of revenue collected and/or affect the integrity of the tax system.

63. Other circumstances where wide public consultation may be inappropriate include measures included as part of the Budget process, or where Inland Revenue's secrecy obligations under the Tax Administration Act 1994 (or other secrecy obligations under another Act) may prevent officials from undertaking wider consultation. For

example if there are proposals developed in response to a case involving a specific taxpayer or group of taxpayers, it may be inappropriate to consult widely in order to protect those taxpayers' commercial position.

64. Urgent government priorities may sometimes require a more truncated policy development process. However, the principles of earlier and wider engagement and greater transparency will still be adhered to, but adapted to suit the tighter timeframes.
65. The reason for having exceptions to the full GTPP consultation process is to ensure that consultation processes are flexible and not overly prescriptive. As such, the exceptions listed in this document are not intended to form an exhaustive list.
66. As a general rule however, it is our view that exceptions will be used sparingly, and the reasons for departing from the usual level of engagement required by the GTPP should be communicated to the public once the proposals are in the public domain. This is to promote greater transparency and accountability, and to ensure that the reasons given for departing from the GTPP can be subjected to public scrutiny.

Appendix A: Overview of the existing Generic Tax Policy Process (as at 1994)⁴



⁴ “Organisational Review of the Inland Revenue Department” Report to the Minister of Revenue, 1994. Note that the GTPP has evolved over the years so what is contained in this diagram may not fully reflect current consultation practices.

Appendix B: DPMC Policy Project’s Start Right Approach



The ‘Start Right’ approach to starting a policy project

1 – Commissioning Conversations

Capture the key details of the request for policy advice and kick-off

2 – Exploration

Spend time exploring possible approaches. Check in with others and refine your approach based on what you hear.

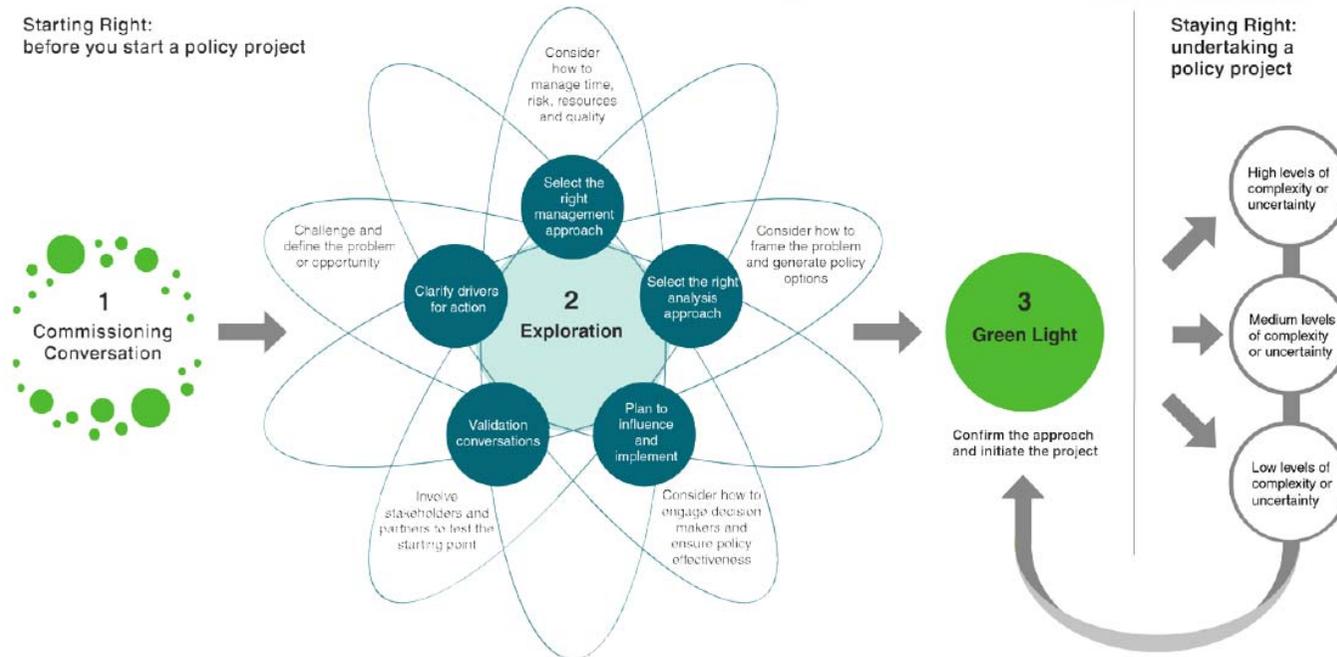
3 – Get the Green Light

Communicate your thinking and agree it with your authorizers. Move into ‘doing’ knowing you are off to a good start.

4 – Check in as you iterate

Expect things to change as new information is discovered. Match governance and communication to the level of complexity and certainty.

Starting Right: before you start a policy project



Staying Right: undertaking a policy project

Appendix C: Essential Information

All public engagement by policy officials will communicate the following information:

Subject of the consultation	A brief (one to two paragraph) synopsis defining the problem or opportunity, and what points officials are seeking feedback on
Scope of the consultation	What decisions have already been made, and what is still able to be influenced by the consultation (i.e. whether we are seeking views on what the problem/opportunity is, or only on policy options)
Intended audience	If there are any interest groups or sectors in particular that the document is aimed towards
Duration of the consultation period	The closing date for submissions should be provided, and should be no less than six weeks except in exceptional circumstances (and those circumstances should be clearly outlined in this section)
Lead official	Name and contact details of the lead official
Additional ways to be involved	For example meetings between interested parties and policy officials
Next steps following the end of the consultation period	This should briefly set out the milestones following the end of the consultation period – for example, when officials plan to report to Ministers, when feedback to submissions will be released, or whether a further round of consultation is planned
Historical context and previous engagement	A brief (one paragraph) summary of how the issue arose, and a comprehensive list of the prior engagement to date (including title and date of past consultation documents)

Appendix D: what will be different under the new consultation framework?

Officials will:

1. Begin consultation earlier in the policy development process to appropriately define the problem or opportunity, and scope the project and identify options.
2. Seek to do more consultation upfront to lessen the need for consultation later in the policy process.
3. Establish stronger links with interested parties and widen the range of stakeholders we regularly talk to.
4. Regularly publish an updated TPWP as a living document to update interested parties as to the progress of projects and notify the public when new items are added.
5. Communicate the government's remedial work programme and provide the public the opportunity to identify remedial issues that need to be addressed.
6. Use a greater range of engagement methods.
7. Consider time and cost required for different engagement methods when planning projects, against the potential benefits.
8. Communicate the scope of the consultation.
9. Consult on draft commentaries, TIB items, legislation, where appropriate.
10. Proactively release our recommended response to submissions in order to provide submitters with feedback.
11. Targeted consultation on remedial amendments in relation to narrow set of considerations.

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