

Tax Working Group Public Submissions Information Release

Release Document

February 2019

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people;
- [2] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage.

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.

[1]

From: Robin Oliver [1]
Sent: Wednesday, 31 October 2018 11:59 AM
To: Nicole Geluk [TSY] [1]
Subject: FW: Tax Working Group Discussion - BDO

I had this email – can you include as a sub to TWG – Mark has said he is happy for it to be treated as such.

robin

Robin Oliver MNZM

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[1]



From: Mark Lodder [1]
Sent: Friday, October 26, 2018 11:13 AM
To: Robin Oliver
Cc: JK Sahi
Subject: Tax Working Group Discussion - BDO

Hi Robin

Very many thanks to you again yesterday for the discussion. Very gratefully received from the team and myself at BDO.

In light of the discussion, I thought I would take the opportunity to quickly highlight some comments (I can't necessarily write for all, but will myself) in relation to a CGT:

1. Appreciate that CGT should not be applied retrospectively and that to achieve this is a revaluation of the base cost of assets to market value (where market value exceeds cost) at a certain date. However, there are concerns with the practicality of this approach; particularly given it is probable Inland Revenue will require documentary evidence of valuations within a specified timeframe (perhaps within six months of year-end). Is this realistically achievable? Apologies, no other solution at this stage other than voicing a concern.

2. With Inheritance Tax being “off the table”, how do you deal with death and a realised CGT? Do we effectively need a IHT backstop to CGT to achieve desired objectives, or is death another form of rollover? Yet more complexity and concern that IHT will effectively be introduced by stealth.
3. I appreciate your comments re: DTAs etc, however is there any merit in considering a “xenophobic” CGT for non-resident owners? Or at least a CGT that applies to non-resident owners who suffer a CGT in their country of domestic tax residence?

These are my very quick thoughts. I will canvass the Group to see if there are any more comments to make, acknowledging that you are working with very tight timeframes.

Cheers
Mark

MARK LODDER
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If our understanding of the position is not correct please advise us immediately as this may change our advice.

The advice expressed herein is not binding on the Inland Revenue Department and we cannot guarantee that they will adopt the same opinion as us.

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