



Tax Working Group
Te Awheawhe Tāke

Tax Working Group Information Release

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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.



Tax Working Group

Minutes

Meeting Date: Friday, 26 January 2018

Attendees: Sir Michael Cullen (Chair), Bill Rosenberg, Geoff Nightingale, Hinerangi Raumati, Joanne Hodge, Kirk Hope, Marjan van den Belt, Michelle Redington, Nick Malarao, Robin Oliver, Andrea Black (Independent Advisor)

Mark Vink, Paul Kilford, Phoebe Sparrow (Secretariat)

Andrew Stott (Inland Revenue)

Apologies: Craig Elliffe

1. Minutes of previous meeting

This was the first meeting of the group, therefore no previous minutes.

2. Administration

The group discussed “housekeeping” issues per the agenda.

Noted	<ul style="list-style-type: none">• Nil
Decided	<ul style="list-style-type: none">• All media queries will be directed to Sir Michael. Group members approached by the media can discuss TWG business to the extent that it is already in the public domain.• The Group agreed to the proactive release of papers prepared by the Secretariat but not to advice prepared by the Independent Advisor• Conflicts of interest were to be determined by the Chair on a case-by-case basis
Actions for the Secretariat	<ul style="list-style-type: none">• Provide the Group with a list of Secretariat members• Provide more detailed advice on the OIA and how it could apply to the Group’s on-going work• Secretariat to provide Chair with list of conflicts declared by Group members as part of the appointment process
Actions for the Group	<ul style="list-style-type: none">• Nil

3. Draft engagement and communications strategy

The draft engagement and communications strategy was presented by Andrew Stott and broadly supported by the group.

Noted	<ul style="list-style-type: none"> The Group wants to make decisions about specific content <u>after</u> the content of the call for submissions document has been agreed The planned timeline may not allow communications decisions to be delayed The focus should be on a few key thought provoking issues for the public and media to engage with More consideration should be given to who the audience is for the September interim report
Decided	<ul style="list-style-type: none"> To engage with iwi as much as possible, consider FOMA and stakeholder groups
Actions for the Secretariat	<ul style="list-style-type: none"> Clarify audience for September interim report Provide a more detailed plan for youth engagement
Actions for the Group	<ul style="list-style-type: none"> Nil

4. Draft forward agenda

The group reviewed and discussed the draft forward agenda.

Noted	<ul style="list-style-type: none"> The revised TPWP is not yet available
Decided	<ul style="list-style-type: none"> Group to meet every second Friday through to end of April. Fri 9th March and Fri 6th April in Auckland The TOR does not exclude items currently on the TPWP where the group wants to take a broader view of the policy Flexibility required, but initial view is that: <ol style="list-style-type: none"> Meeting 2 should include a discussion on frameworks and fairness, the call for subs document, engagement/comms plan and maybe GST Meeting 3 should include future challenges for the tax system, background paper capital & wealth, GST of not covered in meeting 2 Group keen for presentations be experts on particular topics (e.g. crypto currency)
Actions for the Secretariat	<ul style="list-style-type: none"> Arrange Auckland meetings Draft forward agenda to be updated and sent to Group ahead of each meeting Arrange IR briefing on the BEPs package for the Group Ensure Group is informed on the work being done on welfare reform Provide updated tax policy work programme to the Group once available.
Actions for the Group	<ul style="list-style-type: none"> Nil

5. Draft call for submissions document

Noted	<ul style="list-style-type: none"> • The name of the document needs reconsidering with future focus • Financial transaction tax is not discussed • The document is too long • Needs more on LSF, fairness and the environment and more forward looking • Need to be mindful of language, such as “tax burden”
Decided	<ul style="list-style-type: none"> • The document needs to be restructured: <ul style="list-style-type: none"> - executive summary - Intro - the future economic environment - purpose and principals of a good tax system - NZ’s current tax system - results of our tax system (graph on where revenue spent) - thinking outside the current system - specific challenges (in TOR) <ul style="list-style-type: none"> - Glossary - Appendices
Actions for the Secretariat	<ul style="list-style-type: none"> • Produce a shorter summary document to compliment main one • Provide a breakdown of total debt from tax not collected (and interest and penalties if available (income tax vs social policy etc) • Provide info on the difference between accounting profits and tax profits across different industries
Actions for the Group	<ul style="list-style-type: none"> • Nil