

Tax Working Group Public Submissions Information Release

Release Document

September 2018

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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.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, a [1] appearing where information has been withheld in a release document refers to section 9(2)(a).

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

8/3/2018

The Secretary
 The Tax Working Party
 4- NZ Treasury
 PO BOX 3724
 WELLINGTON 6140

Re: Submission

Dear Secretary

When The Tax Working Party considers increasing tax on non-occupier homes, I ask that consideration be given to those situations where a home has been purchased by one family member for the sole purpose of providing security for another family member who is vulnerable and unable to provide for themselves.

My father's marriage split up when he was 87. He had no ability to buy a home to live in. In order to ensure his ongoing security, I purchased a unit which he lives in rent-free. I lose income I would have earned on retirement savings and have costs associated with the unit. The government is saved the cost of providing my father with an accommodation supplement. That money is locked into the commitment I have made, and cannot be liquidated while my father is capable of living independently.

There are many people in NZ who provide in this way for disabled family members. My aunt and uncle purchased a home for my

cousin with schizophrenia. Family members don't make this decision to make a profit, for most of us it is a sacrifice. In taking responsibility for our family member, we lift that responsibility from the state.

I support the concept of a fair tax system in which profit from the rental housing market is brought into the tax-take system. However; where no rent is being paid on a property because occupancy has been "gifted" to a vulnerable person, special consideration should be given such that family are not discouraged from stepping up and caring for their own. This is important in helping to provide a secure future for our most vulnerable citizens.

Best wishes,

Julie Marshall