

## **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.

20.03.18

The Secretariat  
Tax Working Group,  
PO Box 3724, Wellington  
NZ 6140

Ref: Taxation Review

Dear Madam/Sir,

Originally New Zealanders, my wife and I are residents of Canada; now some 20 years. Annually we contribute in excess of \$40K to NZ in Non Resident Tax and while I hold no pretence this enables us a voice an opinion with 'authority' it naturally influences our thinking in how the nation's tax is levied and, spent.

In reshaping of the former, i.e. how tax is levied, I'd suggest that Canada is an example NZ would be well urged to consider as to what happens when (tax) rules become non-transparent. It's my strong opinion that one of the defining reasons NZ tops the world in the 'Transparency International Corruption' score is that historically NZ tax rules have been clearly defined.

Colonial backgrounds of our two nations are very similar; Canada's ranking is eight, and has to its discredit, a grey-market economy as expansive as it is intricate. Examples abound but that's a detail..... (I'd be happy to answer if you wished to query). More than the contribution of a (corrupt) immigrant culture, as was recently suggested by ANZ's Tony Alexander - I believe a nation's corruption roots more squarely in the non-transparency of taxation.

The result of poorly defined rules is that, on the one hand, tax-payers *believe* they're being cheated; and on the other, feel fully legitimate to reciprocate. A system of overweening government likely contributes. Adding further personal example, I provide the response to a query of tax interpretation, quoted by creditable firm of Canadian Accountants; "It's like shooting at a moving target".

I'd suggest the book "Fearful Symmetry" would be timely reading. The author, Brian Lee Crowley, at the time of writing was "Ottawa's most senior independent economic advisor".

Trusting the enclosed political comic from the (national) Globe & Mail newspaper provides yet further clarity.

Good luck!

[1]

Regards,

Scott Marmont

