

Tax Working Group Public Submissions Information Release

Release Document

September 2018

taxworkinggroup.govt.nz/key-documents

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.

Transaction Tax of .25 of a cent applied to Foreign Exchange and Share Trading

Tax Generated

	Daily	Weekly	Monthly	Annually
Average Daily Trading				
NZ Stock Exchange \$90 million	225,000	1,081,731	4,687,500	56,250,000
NZ Foreign Exchange Onshore \$8 billion (Average over 6 months)	20,000,000	96,153,846	416,666,667	5,000,000,000
	20,225,000	97,235,577	421,354,167	5,056,250,000
NZ Foreign Exchange Onshore \$10 billion	25,000,000	120,192,308	520,833,333	6,250,000,000

Tax Generated is based on 250 trading days in 2016 (ie excluding weekends and public holidays)

Operations Possible

Average Daily Trading	Tax Collected	Hip / Knee	Heart Valve	Colonoscopy Gastroscopy	Hernia	Cataracts
NZ Stock Exchange \$90 million						
One Day's Tax Take	225,000	9	4	90	28	56
One Week's Tax Take	1,081,731	45	18	433	135	270
One Month's Tax Take	4,687,500	195	78	1,875	586	1,172
One Year's Tax Take	56,250,000	2,344	938	22,500	7,031	14,063

Other Possible Spending

NZ Foreign Exchange Onshore \$8 billion (Average over 6 months)		Policemen per Year	Nurses/Teachers per Year	Doctors per Year	Build Houses in Auckland	Tax Cuts
One Day's Tax Take	20,000,000	105	200	57		
One Week's Tax Take	96,153,846	506	962	275	113	
One Month's Tax Take	416,666,667	2,193	4,167	1,190		