

# **Taxation (Annual Rates, Savings Investment, and Miscellaneous Provisions) Bill**

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*Officials' Report to the Finance and Expenditure Committee on Submissions on the Bill*

*Volume 2*

Non-technical submissions on the new tax rules for offshore portfolio investment in shares

**20 November 2006**

*Prepared by the Policy Advice Division of the Inland Revenue Department and the Treasury*



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Non-technical submissions on the  
new tax rules for offshore  
portfolio investment in shares

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## OVERVIEW

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This volume of the officials' report deals with submissions on the offshore portfolio investment tax proposals that expressed views on the proposals but were not of a technical nature. Volume 3 deals with the technical submissions on the offshore tax proposals, including the new fair dividend rate method. Therefore, volumes 2 and 3 should be read together, with volume 3 being referred to for officials' main comments.

The Committee forwarded us about 1350 submissions that fell into this category. About one-quarter of them appeared to be variations of standard forms or standard material. We were sent only a few of the many submissions that consisted of signed, standard forms, reportedly over 2000 of them, because they were, in many cases, nearly identical.

Submissions covered in this volume of the report often supported the proposals relating to portfolio investment entities, when they were mentioned, but not those relating to offshore investment. Only two submissions supported the offshore investment proposals.

Key concerns expressed by most of this group were that the proposed changes would introduce a capital gains tax, and they were excessively complex. We note that the proposed fair dividend rate approach, which is under consideration by the Committee, should deal with their concerns to a large extent.

This volume covers the main issues raised in the submissions, both those forwarded to us by the Committee and the form letters of which we received samples. Given the number of submissions, points made in them are not attributed to those who made them.

The appendix to this volume lists submissions by number and name as they were supplied to us by the Committee. It does not include the sample standard-form submissions described above.





## **GENERAL COMMENTS ON WHY THE OFFSHORE PROPOSALS SHOULD NOT PROCEED**

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Nearly all the submissions covered in this volume of the report were opposed to the offshore tax proposals. Most argued that the grey list should be retained, and that the proposals should not proceed.

Many were concerned that the offshore proposals introduced a tax on capital gains.

Some argued that a modified grey list should be retained for certain countries, including the UK, Canada and the US. Several submitted that the Australian exemption should apply to the UK, Canada and the US.

Others argued that the grey list should be extended to all countries with which New Zealand has a double tax agreement, or to countries with which New Zealand has an important trading relationship, such as Asian or European countries.

The main reasons for general opposition to the proposals are given in more detail below.

### **Issue: The proposals will distort investment decisions**

Several submissions noted that they were not opposed to a capital gains tax, but that any capital gains tax on offshore shares should be extended to other assets such as local shares and property. In particular, many expressed concern that capital gains on shares are taxed, whereas capital gains on property are not taxed.

### **Comment**

The proposals were introduced to remove several distortions from the current savings rules, between investing in portfolio shares in grey list countries and non-grey list countries, and between investing directly and investing through managed funds. Under current rules, investment in New Zealand companies is taxed fairly comprehensively (under New Zealand's company tax rules), whereas investment in foreign companies resident in grey list countries is generally taxable in New Zealand on dividends only, if held by individuals. This can create an incentive to invest in grey list companies, especially if the company pays little or no tax in the foreign jurisdiction. On the other hand, investments in non-grey list countries (which comprise most of the world) are generally taxed on 100% of the change in share value each year. This is a significant tax barrier to investing in those countries.

The current tax rules also create different outcomes depending on whether investment is via a managed fund (generally taxable on capital gains as well as dividends) or directly by an individual (generally taxable on dividends only). This disadvantages investors who use managed funds to invest in New Zealand and offshore.

The proposals aim to correct the imbalance by treating investments in New Zealand and Australian companies via a managed fund on a similar basis to direct investments in those companies. This will result in investments in Australian- resident listed companies being taxable primarily on dividends only. This is reasonable as the Australian tax system, like the New Zealand tax system, encourages a significant proportion of the earnings of Australian companies to be paid out as dividends. The approach is also justified given the Closer Economic Relationship between the two countries, and the desirability of treating the two markets as one for investment purposes.

For investments outside Australia and New Zealand where dividend-only taxation is not reasonable (given the low level of dividend distribution), the new rules will treat portfolio investors in grey list countries (outside Australia) in the same way as investors in non-grey list countries. In the case of the former, these new rules would, for substantial portfolios, generally result in more tax being payable than at present. In the case of the latter, the new rules will reduce the amount of tax they are required to pay. The new rules should therefore improve the current tax position for those who have investments in Asia and other non-grey list countries and encourage more New Zealanders to diversify into those countries.

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### **Issue: The proposals are unfair**

Submissions cited a range of reasons for considering the proposals unfair:

- The proposals are unfair because other investments such as rental property and local shares are not taxed on capital gains.
- The proposals are unfair to existing investors who have saved for their retirement.
- The proposals discriminate against “ordinary New Zealanders” (taxpayers with middle or lower incomes) as these taxpayers will not be able to rearrange affairs easily and will not have investments under the exemption threshold.
- The proposals are not as fair as overseas tax systems such as Australia.
- The proposals are unfair because offshore investments are already taxed twice (first in their own jurisdiction and secondly when New Zealand tax is imposed on dividends received).
- The proposals are unfair to migrants who have overseas investments.
- It is unfair to individual beneficiaries of Maori trusts and incorporations, for whom directly held global investments are owned for their long-term benefit. These beneficiaries should not be disadvantaged by the ownership structure because this is not something they can change.
- The proposals are unfair to professional share traders who will not get relief from tax on their New Zealand and Australian shares.

## **Comment**

The proposals are designed to make it easier and fairer for most investors to invest and save.

The key principle behind the changes is that it is only fair that if you live in New Zealand, you should pay tax in New Zealand on your income, whether it comes from New Zealand or overseas. The proposals are designed to levy a reasonable amount of tax on overseas income each year and to remove a number of current distortions. One such distortion is the difference in tax treatment when an investor invests in shares (both onshore and offshore) directly and through a New Zealand managed fund.

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## **Issue: The proposals are unnecessary**

Several submissions questioned the need for the new rules for offshore investment when taxpayers are already taxed on overseas dividends.

## **Comment**

Low levels of dividend distribution mean that investments in grey list countries are not comprehensively taxed, unlike shares in non-grey list countries. The proposals are designed to address this issue by ensuring that tax is paid on an amount similar to a reasonable dividend yield.

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## **Issue: Diversity will be discouraged**

Many submissions argued that the proposals would discourage diversity of investment by discouraging portfolio investment into overseas shares, and encouraging investment in local shares and property.

Some noted that it is particularly important that our overseas investment is diversified, to protect New Zealanders' wealth in the event of a disaster such as a tsunami or an outbreak of foot and mouth disease.

Several submissions noted that one of the fiduciary obligations imposed on trustees and investment advisors is the duty to invest prudently, and that the effect of the proposals might cause trustees to breach this obligation. That might occur because if the trustee attempted to satisfy the obligation to invest prudently by ensuring that a trust portfolio contained overseas shares, it would subject the portfolio to higher tax.

Many submissions noted that the New Zealand Superannuation fund diversifies by investing overseas.

## **Comment**

The proposals are designed to encourage diversity, by correcting the imbalance in the current rules, which give favourable treatment to investments into certain countries and require more tax from investments made into others. That is, under the proposals, diversification will be encouraged by systematically reducing the tax that is paid on investments in countries outside the grey list, including Asian countries such as China and Singapore.

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## **Issue: Savings will be discouraged**

Many submissions expressed concern that the offshore proposals would discourage retirement savings, especially amongst lower and middle income earners. Some held that savings should not be taxed, or should not be over-taxed.

## **Comment**

For the substantial majority, the proposals should provide a worthwhile boost to savings. Under the proposals, the many New Zealanders who invest through managed funds will receive significant capital gains tax relief and will have their investment income taxed at the correct rate – for example, 19.5% taxpayers will be taxed at 19.5%, not at 33%, as under current law.

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## **Issue: The proposals undermine KiwiSaver**

Submissions expressed concern that the proposals would discourage investment in KiwiSaver because KiwiSaver will be taxed on its offshore shares.

## **Comment**

KiwiSaver has been a key driver in ensuring that investment via a managed fund is not tax-disadvantaged. Many thousands of ordinary New Zealanders will receive capital gain tax relief and tax rate relief on their KiwiSaver investments from 2007 under the new rules.

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### **Issue: The proposals will inflate the property market**

Many expressed concern that the effect of the proposals would be to discourage savings in overseas shares and encourage investors to hold residential property. If this happened, they said, it would inflate the property market, making home ownership more unaffordable.

#### **Comment**

If, as has been suggested, there is a significant flow of funds back to New Zealand, and into property, one could reasonably expect that the risk associated with such investments would increase. Consequently, in risk-adjusted terms, there should still be an incentive for New Zealanders to hold a diversified portfolio of assets. It is also worth noting that there are comprehensive tax rules for those people who buy and sell assets, such as residential property, with the intention of making a profit, and these people are required to pay tax on any capital gain. Therefore, it is incorrect to say that there are no tax consequences associated with investing in property with the intention of making capital gains.

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### **Issue: The proposals will deter skilled migrants from coming to New Zealand or encourage skilled people to leave**

Submissions expressed concern that the proposals would encourage skilled people to leave New Zealand, or discourage skilled migrants from coming or returning to New Zealand, because many skilled migrants have investments in overseas shares.

#### **Comment**

Most overseas jurisdictions have realised capital gains tax on their investments and some, like Australia, also have foreign investment fund rules (for “passive” investments offshore) that generally tax full unrealised capital gains. Most overseas residents will also have experience paying a realised capital gains tax on their investments. In contrast, the proposed fair dividend rate method attempts to tax a reasonable dividend yield. The proposed rules should therefore not be a significant disincentive to relocate to New Zealand, especially given the recently introduced four-year exemption from New Zealand’s foreign investment fund rules for new migrants and returning residents. This four-year window should provide plenty of time for them to become familiar with the new rules and, if necessary, make any adjustments to their portfolios.

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**Issue: The proposals are very complex and will impose significant compliance costs**

- Most submissions expressed concern about the complexity of the proposals. Many argued that they were difficult for ordinary taxpayers to understand. Several argued that the rules were overly complex in relation to the tax that will be collected.
- Compliance costs would be greatly increased because taxpayers who had previously completed returns themselves would need to employ accountants. Several were concerned that compliance costs would fall disproportionately on lower income taxpayers.
- Administrative costs for Inland Revenue would be increased as it would be difficult to collect the tax.
- Many submissions suggested that the number of people affected by the proposals would be more than expected.
- More taxpayers would be required to file tax returns because of the proposals.
- More people would incur use-of-money interest and penalties as a result of not being able to apply the rules because they are too complex.

**Comment**

Concerns about the complexity of the new offshore tax rules relate to the smooth market value method proposed in the bill as introduced. The government has suggested that it be replaced with a new fair dividend rate method.

Under the fair dividend rate method:

- Individuals would be taxed on a maximum of 5% of the opening market value of their offshore shares in a given year.
- When individual investors make a return of less than 5%, their taxable income would be correspondingly lower.
- No tax would be payable when investors make losses.
- Dividends would not be taxed separately even if they exceed 5%.

The fair dividend rate method would be much simpler to apply than the offshore tax proposals in the bill as introduced, because complex calculations to work out income would not be necessary. For example, gains of more than 5% would not have to be carried forward to be taxed in later years, which was the main reason for the complexity in the smoothed market value method. For most individuals, taxable income would simply be 5% of the value of their shares at the start of the year, and less if they made a return lower than 5% for the year.

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## **Issue: Changes will not raise revenue**

Several submissions suggested that the measures would not raise revenue expected by the government, because taxpayers would withdraw their savings from offshore investments and invest in onshore shares or property, or simply not comply with the measures.

Revenue gains would be offset by increased use of public health services and welfare agencies by older investors, who would lose planned income as a result of the changes.

### **Comment**

It should be noted that the aim of the proposals was not to raise revenue. Rather, the key rationale was to reduce investment distortions. The overall impact of these specific changes to the taxation of overseas investment is largely revenue-neutral. The whole package of investment tax changes (including the PIE rules) will actually reduce government revenue by over \$100 million a year. However, the government has said that if we are to improve the savings culture in New Zealand, this is a valuable investment to make.

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## **Issue: Biased towards managed funds**

Several submissions were concerned that the proposals encourage investment in managed funds rather than direct investment because managed funds would get an exemption from tax on offshore shares. They noted that managed funds should not be given an advantage but should be treated the same as individuals.

### **Comment**

Investors in managed funds would not, in fact, receive an advantage over direct investors in relation to investments in offshore shares. The proposed exclusion for Australasian trading gains made by PIEs broadly reflects the treatment of Australasian investments if held directly. Like direct investors, managed funds would be subject to the fair dividend rate, if it is adopted, on investments outside Australasia. Further, managed funds would pay tax on a flat 5% rate, which may be seen as less attractive than the 5% variable rate for individual direct investors, although this would be offset by the benefits to managed fund investors from the PIE tax rules. In addition, investors in managed funds would not receive the benefit of the \$50,000 threshold. The reason for these differences is to minimise any potential compliance costs faced by individuals.

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## **Issue: New Zealanders do not invest overseas to avoid paying tax**

New Zealanders do not invest overseas in order to avoid paying tax. Many New Zealanders invest in offshore shares and funds that pay dividends.

### **Comment**

It is acknowledged that most New Zealanders who invest offshore do so for genuine reasons, including diversification and access to industries not available in New Zealand. However, the tax systems of many countries discourage the payment of dividends, with the result that dividend yields are low. To ensure that a reasonable level of tax is paid on the income of New Zealand residents' offshore income, it is necessary to deem a reasonable dividend yield.

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## **Issue: Insufficient consultation**

Several submissions stated that there had been insufficient consultation and, in particular, there had been a lack of consultation with private investors.

### **Comment**

Officials conducted significant consultation with a wide variety of interested parties. While it was impossible to consult with all interested private investors, we consulted with a number of groups representing individual investors. These included stockbrokers, investment advisers, the New Zealand Shareholders' Association, and the Retirement Commissioner.

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## **General recommendation on these submissions**

Officials have recommended in volume 3 that the fair dividend rate method replace the market value and smoothed market value methods proposed in the bill. The fair dividend rate should address complexity concerns and concern that gains in excess of 5% would be taxed on repatriation.

Officials consider an extended grey list with a black list is not sustainable for the following reasons:

- It would create significant complexity to define and maintain a black list. For example, it would be difficult to monitor effective tax rates and tax advantaged vehicles in an expanded group of grey list countries.
- There would be a significant fiscal cost to extending capital account treatment to managed funds.



- The incentive to invest in countries that do not have a comparable company tax system to New Zealand would remain.
- It would not address the issue that many offshore shares do not provide a reasonable dividend yield, meaning that offshore investment would continue to be tax advantaged relative to New Zealand shares.

### **Recommendation**

That the submissions be declined. It should be noted that the proposed fair dividend rate method should address many of the concerns raised in submissions.

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## **Other general submission points**

### **Issue: Unrealised gains should not be taxed**

Many submissions expressed concern that offshore shares would be subject to tax on unrealised gains. Several noted that they did not oppose tax on capital gains, but that they were opposed to tax on gains that were not realised at the time.

Several submissions expressed concern that taxpayers would have to sell assets in order to meet their tax liability.

### **Comment**

The smoothed market value method, which in most years would tax only 5% of the value of an investment, was designed to address liquidity concerns. This meant that in most years, tax on more than 5% of the investment's value could be met with dividends of less than 2%. Most people should be receiving a dividend yield of at least 2% from a diversified portfolio, which would generally eliminate the need for investors to sell an investment to pay a tax liability. This concern has been further addressed by the introduction of the fair dividend rate, which would not require gains in excess of the 5% cap to be carried forward to be taxed in later years.

### **Recommendation**

That the submission be declined.

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**Issue: Tax rates should not be different for grey list and non-grey list countries**

**Submission**

Several submissions expressed concern that the proposals introduced different tax rates for investment in grey list and non-grey list countries.

**Comment**

The proposals do not, in fact, introduce different tax treatment for grey list and non-grey list countries. Instead, they remove the existing distortion which encourages investment in grey list countries. Under current rules, investments in such countries are not fully taxed on their income, while investors in non-grey list countries are generally taxed on 100% of their gain. The proposals remove this distortion by generally reducing the amount of tax payable on shares in a non-grey list country and ensuring that the same level of tax is paid on overseas shares regardless of whether the investment is in a grey list country.

**Recommendation**

That the submission be noted.

## DEFERRAL OF INTRODUCTION OF THE NEW RULES

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### Submissions

- The introduction of the offshore proposals should be delayed until further review.
- The introduction of the offshore proposals should be delayed until at least 2008 to provide time for further consultation.
- The introduction of the offshore proposals should be delayed until at least 2008 to give investors time to rearrange their portfolios.
- Many noted their support for the proposed portfolio investment entity (PIE) rules, but argued that the introduction date of the PIE and offshore rules should not be linked.

### Comment

The current application date in the bill provides that both the new offshore tax rules and the PIE rules will apply for income years starting on or after 1 April 2007. The key policy objective of the foreign investment fund (FIF) rules is to remove the current distortions between investing directly or through a managed fund and between investing in grey list and non-grey list countries. These distortions should be removed as soon as practicable, and given the scheduled enactment date of this legislation before the end of this year, this would support a general 1 April 2007 application date, as is currently proposed in the bill.

The Minister of Finance and the Minister of Revenue wrote to the Committee in August recommending that the application date for the new PIE tax rules be deferred until 1 October 2007. This deferral was connected to the deferral of the KiwiSaver scheme (since the PIE tax rules will be compulsory for KiwiSaver default funds). The deferral to 1 October 2007 also gives savings vehicles more time to prepare for the implementation of the PIE tax rules.

The resulting non-alignment between the application dates for the new offshore tax rules (1 April 2007) and the PIE tax rules (1 October 2007) creates tax timing problems for some savings vehicles that intend to become PIEs from 1 October 2007. Officials consider that these problems can be addressed by allowing entities that will be eligible to be PIEs to elect that the new offshore tax rules will not apply to them until 1 October 2007, or, if an entity elects to become a PIE in its first income year starting on or after 1 October 2007, from the date that the election is effective. This does not necessarily mean that less tax will be paid by these entities during this interim period because, in general, more tax is paid by institutions under the current offshore tax rules than will be paid under the new rules.

Officials do not support shifting the current 1 April 2007 application date to 1 October 2007 for the offshore tax rules for individuals. The majority of individuals have a 31 March balance date, and to defer the introduction date to 1 October would mean that individuals would need to calculate their offshore investment tax liabilities under two different sets of rules for the income year starting on 1 April 2007. This would involve significant complexity for individual investors.

**Recommendation**

That the submissions be declined.

## **DISCOUNT ON MARKET VALUE METHODS**

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### **Submission**

The taxable amount of gains on overseas shares should not be 85% as currently proposed. The taxable amount should be limited to between 5 to 70% of the change in the value of the share price, with many submissions suggesting that the taxable amount should be limited to 25% or 50% of the share gain.

### **Comment**

Officials consider this issue does not need to be addressed in light of the recommendation to replace the market value and smoothed market value methods with the fair dividend rate. The level of discount is not relevant to the fair dividend rate method.

### **Recommendation**

Officials have recommended that the market value and smoothed market value methods be replaced with the fair dividend rate method. If this recommendation is accepted the issue in this submission will no longer be applicable.

## **THE \$50,000 THRESHOLD**

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### **Issue: Level of threshold**

#### **Submissions**

- The \$50,000 threshold level should be raised to a more realistic level.
- The threshold should be raised to a level that would ensure that lower or middle income investors are not caught by the rules.
- Submissions suggested various higher threshold levels between \$80,000 and \$5 million. Quoted figures included \$80,000, \$100,000, \$150,000, \$200,000, \$250,000, \$300,000, \$350,000, \$500,000, \$1,000,000, and, \$5,000,000.

#### **Comment**

Raising the proposed threshold significantly would undermine the core objective of these reforms, which is to remove the current distortion between investing directly in offshore shares and investing through New Zealand collective investment vehicles. A modest threshold such as that proposed in the bill can be justified as the extra accuracy from applying more complicated tax rules can be outweighed by the extra compliance costs for modest holdings.

#### **Recommendation**

That the submissions be declined.

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### **Issue: Threshold should be inflation-indexed**

#### **Submission**

The level of the threshold should be inflation-indexed.

#### **Comment**

While an argument exists for inflation-indexing thresholds, such an approach would significantly increase complexity. For this reason, such an approach is not adopted for other thresholds in tax legislation.

#### **Recommendation**

That the submission be declined.

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**Issue: Actual cost****Submission**

The actual cost of the share rather than its market value should be used in determining whether a person's shareholdings are under the threshold.

**Comment**

The main rule for determining whether a person's share portfolio falls below the threshold is cost, not market value. Therefore there is no need to make an amendment to the bill.

**Recommendation**

That the submission be noted.

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**Issue: Family trusts****Submission**

The threshold should be extended to include discretionary family trusts, as these are legitimate vehicles for estate planning. Specific anti-avoidance should be enacted if there is a risk of abuse.

**Comment**

The reason the \$50,000 threshold does not apply to trusts is to prevent it being exploited by the creation of multiple trusts for the benefit of the same individuals. For example, ten family trusts could be established for the benefit of the same individual, thereby effectively increasing the threshold to \$500,000.

Officials do not consider it is feasible to introduce specific anti-avoidance rules to effectively address the risk of trusts being used to exploit the exemption.

**Recommendation**

That the submission be declined.

## **FIVE-YEAR EXEMPTION (GPG)**

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### **Issue: GPG should not get an exemption**

#### **Submissions**

- It is unfair that GPG gets special treatment.
- Investors in GPG should not get an exemption when investors in other offshore companies do not.

#### **Comment**

The five-year exemption will give widely held foreign companies that have a substantial New Zealand shareholder base, such as GPG, time to consider shifting their headquarters to New Zealand. This will provide sufficient time for the government to complete its review of the controlled foreign company rules. The outcome of this review could materially affect the decision of such companies on whether to relocate their headquarters to New Zealand.

#### **Recommendation**

That the submissions be declined.



## **POTENTIAL DOUBLE TAXATION**

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### **Submission**

Investors could be double taxed because they could be taxed on year-to-year increases and then on the gain realised upon sale of the shares.

### **Comment**

Double tax as described above was not possible under the smoothed market value method. This is because gains taxed on a year-to-year basis are not included in the excess gains that are carried forward. Therefore, the gains that are taxed on repatriation are those that have not been taxed in previous years.

This issue does not arise under the fair dividend rate.

### **Recommendation**

That the submission be declined.

## **TREATMENT OF CURRENCY FLUCTUATIONS**

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### **Submission**

Gains made as the result of currency fluctuations should not be taxed.

### **Comment**

The concern raised is that rules that tax offshore income under a change in value approach can give rise to volatile tax results as currency cross-rates can shift significantly during the measurement period.

Under the recommended fair dividend rate, taxable income in most years will be determined by applying 5% to the investment's opening value at the beginning of the tax year. As taxable income under this method will now not generally depend on the change in value of the investment over the measurement period, the volatility issue described above will largely be addressed.

### **Recommendation**

That the submission be declined.

## **INFLATION**

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### **Submission**

Inflation should be taken into account when calculating share gains for the purposes of the new rules, as investors should not be taxed on gains made from inflation.

### **Comment**

As a general rule, New Zealand's tax system works on a nominal basis and does not take account of inflation. To inflation-index the proposed rules would be inconsistent with this general approach and could lead to additional distortion. Further, inflation-indexing would add significant complexity to the rules.

Officials note that the issue has been superseded as the recommended fair dividend rate does not target capital gains, rather something approximating a reasonable dividend yield.

### **Recommendation**

That the submission be declined.

## **FOREIGN TAX CREDITS**

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### **Submission**

Credit should be given for foreign tax paid against the realised gain.

### **Comment**

This was an issue under the FIF rules proposed in the bill. However, because the recommended fair dividend rate method does not tax capital gains, no credit should be allowed for foreign capital gains taxes. Credits for foreign tax paid on any dividends would be allowed under the fair dividend rate method.

### **Recommendation**

That the submission be declined.

## **TREATMENT OF LOSSES**

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### **Submission**

If gains on shares will be taxable, losses on shares should also be recognised in the calculation of taxable income.

### **Comment**

Losses would have been deductible under the smoothed market value method in the same way and to the same extent that any gains would have been taxable. It is not appropriate to allow capital losses under the fair dividend rate because it does not target capital gains.

### **Recommendation**

That the submission be declined.

## **VENTURE CAPITAL**

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### **Submission**

Shares in companies that start in New Zealand and subsequently migrate to a grey list country should be exempt for a period of five to seven years from the date of migration.

### **Comment**

Officials agree with the need for an exemption for venture capital companies that migrate offshore. The primary reason for this exemption is that venture capital investment is not substitutable for normal offshore portfolio investment. Officials have developed exemption criteria for a broad range of venture capital cases. These criteria are discussed in volume 3 of the officials' report.

### **Recommendation**

That it be noted that officials are proposing new exemption criteria for investments in venture capital.

## **EMPLOYEE SHARE OPTIONS**

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### **Submissions**

- Employee share schemes should be exempt. Such schemes encourage employee loyalty and are distinguishable from other shareholdings as they can be considered “active” investments.
- There should be a five-year holiday for investors in employee share schemes upon leaving the employment. Alternatively, shares acquired before a certain date or those with restrictions on disposal should be exempt for five years.
- The threshold should be raised to \$300,000 when employee share options are owned.

### **Comment**

Officials agree that a temporary exemption from the new offshore tax rules for employee share options is justified in certain circumstances. This issue is considered in volume 3 of the officials’ report.

### **Recommendation**

That it be noted that officials are proposing new exemption criteria for shares acquired through employee share purchase schemes in certain circumstances.

## **EXEMPTION FOR SHARES IN AUSTRALIAN COMPANIES**

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### **Issue: Australian shares should not be exempted**

#### **Submissions**

- Australian shares should not be exempted. Exempting shares will give the Australian share market a competitive advantage with no corresponding gain for New Zealand.
- New Zealand residents do not get a franking credit on Australian dividends, so the exemption should not be extended to Australia.

#### **Comment**

There are three main reasons for treating investment in Australian-resident listed companies differently. First, Australian companies pay out a high proportion of their earnings as dividends. (Dividend distribution is encouraged by the Australian tax system.) Second, New Zealand has a close economic relationship with Australia. Making a special case for Australia will help to move the two countries closer towards a single market for the purposes of investment and is therefore consistent with this relationship. Third, the New Zealand Inland Revenue has close contact with the Australian Tax Office and the Australian Treasury, which should allow the tax authorities to close down any tax loopholes that might arise. The proposed treatment for Australian companies reflects a simplification benefit – taxation on dividends – rather than a tax advantage.

#### **Recommendation**

That the submissions be declined.

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### **Issue: Exemption for Australian shares should be extended**

#### **Submissions**

- All Australian entities should be exempted from the rules.
- All Australian listed and unlisted companies should be exempted; otherwise there is an unfair advantage to larger and listed entities.
- Companies that are not listed on the ASX should also be exempt.
- Australian property trusts and funds and infrastructure funds should be exempt.
- Australian-based international funds should be exempt.



- All companies listed on New Zealand and Australian exchanges should be exempt, even if based overseas.
- Australian companies that trade on overseas exchanges should be exempt.
- Australian-based intermediary funds should be exempt.
- Managed funds listed on NZ and Australian exchanges should be exempt.
- Index funds which invest in major indices on New Zealand and Australian exchanges should be exempt.

### **Comment**

Officials consider that the exemption for Australian-resident companies should be restricted to companies listed on the official approved list of the ASX, which should cater for most of New Zealanders' portfolio investment in Australia. This should provide some assurance that Australian companies will not be used as conduits to avoid the proposed offshore tax rules. It is less likely that such conduits could be established via companies listed on the ASX because to do so would be more difficult and costly.

### **Recommendation**

That the submissions be declined.

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## **Issue: Stapled securities**

### **Submission**

The Australian exemption should extend to Australian-based stapled securities.

### **Comment**

Officials consider that the Australian exemption should be limited to shares in Australian-resident listed companies without stapled rights in foreign companies. Stapled securities would be subject to the fair dividend rate method which is the appropriate treatment for such interests.

### **Recommendation**

That the submissions be declined. The Australian exemption would be limited to shares in Australian-resident listed companies without stapled rights.

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## **Issue: Australian unit trusts**

### **Submissions**

- Australian unit trusts should be included in the Australian exemption.
- Both unlisted and listed Australian unit trusts should be included in the Australian exemption.

### **Comment**

Investments in Australian unit trusts were excluded from the proposed exemption for investments in Australian-resident listed companies because they could be used as roll-up vehicles to invest outside Australia in companies that pay little or no dividends (and therefore avoid the new offshore tax rules). New Zealand investors could therefore invest in these vehicles and derive income in the form of capital gain, without a tax liability arising on this income in either Australia or New Zealand.

However, officials agree that investments in certain Australian unit trusts should be included in the Australian exemption subject to certain criteria being met. These criteria are discussed in volume 3.

### **Recommendation**

It should be noted that this issue is covered in volume 3 of the officials' report.

## **FURTHER EXEMPTIONS**

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### **Issue: Tax liability should be extinguished on death**

#### **Submission**

A person's tax liability should be extinguished on death.

#### **Comment**

Under the smoothed market value method, any excess gains that are carried forward are extinguished on the death of the investor. This is no longer an issue as the fair dividend rate does not target capital gains.

#### **Recommendation**

That the submission be noted.

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### **Issue: Exemption for retired individuals**

#### **Submissions**

- The tax liability should be removed when the person reaches retirement (between the ages of 60 and 65).
- The tax should not apply to people aged over 80.

#### **Comment**

Officials consider there is no justification for an age-based exemption from the offshore tax rules.

#### **Recommendation**

That the submissions be declined.

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## **Issue: Exemption for gifted or inherited shares**

### **Submission**

Shares that are not bought but are acquired by bequest or gift should be exempt or given a period of relief because beneficiaries have not chosen to invest in these shares.

### **Comment**

Officials consider there is no justification for exempting inherited shares from the FIF rules. Income from inherited offshore shares should be treated in the same way as income from other offshore shares.

### **Recommendation**

That the submission be declined.

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## **Issue: Tax liability extinguished on shares held for more than five years**

### **Submission**

Deferred capital gains should be extinguished on investments held for longer than five years.

### **Comment**

The issue does not arise under the recommended fair dividend rate method as excess gains would not be carried forward.

### **Recommendation**

That the submission be declined.

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## **Issue: Shares in overseas companies with New Zealand subsidiaries**

### **Submission**

Shareholders in overseas companies with New Zealand subsidiaries should be exempt as these countries contribute to the New Zealand economy.

### **Comment**

The issue of the double taxation of New Zealand shareholders of foreign companies with New Zealand subsidiaries currently exists. This is because tax can be paid in New Zealand on its business operations but the foreign parent cannot flow through imputation credits to its New Zealand shareholders on its resulting dividends. A solution to this problem may seem to be to allow the foreign company to maintain an imputation credit account. The policy reason that only New Zealand-resident companies can maintain imputation credit accounts is to ensure that there remains an incentive for a current New Zealand-resident company to remain resident in New Zealand. A New Zealand-resident company is liable to New Zealand tax on its worldwide income, whereas a non-resident company is liable to New Zealand tax only on its New Zealand-sourced income. If a non-resident company was allowed to maintain an imputation credit account for the benefit of its New Zealand shareholders this could provide an incentive for a New Zealand-resident company to migrate to escape tax on its foreign source income while still passing on the benefit of New Zealand tax on its New Zealand-sourced income to its New Zealand shareholders.

Investments in companies such as these would be subject to the fair dividend rate method, which is an appropriate treatment for such interests.

### **Recommendation**

That the submission be declined.

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## **Issue: Overseas retirement funds should be exempt**

### **Submissions**

- Retirement funds in overseas countries should have exemptions or, alternatively, be deferred until the gains are realised.
- In particular, US retirement funds and UK pension funds should be exempt as they are locked in.

## **Comment**

Officials note that there are already extensive exemptions for employment-related superannuation interests contained in sections EX 36 and EX 37. These exemptions will typically exclude from the FIF rules the foreign pensions of persons who migrate to New Zealand. Officials do not consider that further exemptions are justified.

## **Recommendation**

That the submissions be declined.

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## **Issue: Exemption for shares in South Africa**

### **Submission**

South African migrants require a special exemption for blocked capital assets that they are unable to repatriate because of South African restrictions.

### **Comment**

Officials note that the current FIF rules already contain an exemption where exchange controls in a foreign country prevent a person from repatriating income from offshore interests. This exemption would continue under the new offshore rules. Therefore, no further amendment is necessary.

### **Recommendation**

That the submission be declined.

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## **Issue: Exemption for recent migrants**

### **Submissions**

- Recent migrants with overseas shareholdings should be exempted from the rules, either permanently or temporarily.
- Recent migrants or people who have recently returned to New Zealand should be given a temporary exemption from the rules to allow them time to repatriate their funds to New Zealand.

### **Comment**

Officials consider the recently enacted temporary exemption for new migrants is sufficient. A permanent exemption would not be fair vis-à-vis other New Zealanders.

### **Recommendation**

That the submissions be declined.

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### **Issue: Exemption for shares purchased with funds that have been earned overseas**

#### **Submission**

Shares purchased with funds that have been earned overseas should not be taxed.

#### **Comment**

Officials do not believe there is justification for exempting shares purchased with funds that have been earned overseas. Such an exemption would be virtually impossible to administer and would create an incentive for investing offshore, as other categories of return from overseas-earned capital would be taxable.

#### **Recommendation**

That the submission be declined.

---

### **Issue: Temporary exemption for existing investors**

#### **Submissions**

- Existing investors should have a ten-year exemption to rearrange their portfolio.
- The rules should take account of losses made in previous years, because recovery of losses should not be taxed. To ensure that the recovery of losses made from the past few years is not taxed, there should be a five-year exemption for existing investors.

## **Comment**

There is no rationale to provide a time-limited exemption for existing investors. It would favour those who invested before the changes were enacted and could lead to investors retaining offshore investments when it would make economic sense to sell the investment (if not for the exemption). It is possible to argue for some limited grandfathering if the rules being introduced are particularly harsh or complex. However, this is not the case under the fair dividend method, which would tax in essence a reasonable dividend yield.

## **Recommendation**

That the submissions be declined.

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## **Issue: Temporary exemption for UK trust shares where market value at transition date is less than original cost**

### **Submission**

There should be a five-year exemption for holders of UK trust shares whose market value at 1 April 2007 is less than the original cost.

### **Comment**

Officials do not consider that there is any policy rationale for treating investments in UK investment trusts differently to other offshore shares under the fair dividend rate method.

### **Recommendation**

That the submission be declined.



## **ALTERNATIVES SUGGESTED TO OFFSHORE RULES**

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### **Issue: Redefinition of capital/revenue boundary**

#### **Submission**

Several submissions argued that shares held for over one year should not be taxed, or taxed at a lower rate, and that shares held for less than one year should be taxed as income, or taxed at a higher rate (as in the US).

#### **Comment**

Officials note that adopting this alternative proposal would mean that all gains on shares (New Zealand and offshore) held for more than 12 months by all New Zealand investors would be exempt from New Zealand income tax because New Zealand does not have a general capital gains tax. The United States treatment is not comparable as the United States has a comprehensive capital gains tax. Implementation would have a huge revenue cost and the submission is effectively outside the scope of the bill.

#### **Recommendation**

That the submission be declined.

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### **Issue: Increasing discount on long-term investment**

#### **Submission**

There should be a sliding scale whereby the shares are taxed at a higher rate if they are held for a shorter period.

#### **Comment**

Under the proposed fair dividend rate, taxable income would be capped at 5% of the opening market value of an investment. The level of discount is not relevant to the fair dividend rate method.

#### **Recommendation**

Officials have recommended that the smoothed market value method be replaced with the fair dividend rate method. If this recommendation is accepted the issue in this submission will no longer be applicable.

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## **Issue: Alternative FIF calculation methods**

### **Submissions**

- A deemed rate of return method on all offshore shares would be preferable because it would be much simpler to apply.
- A deemed rate of return should apply to all offshore shares, including Australia, as this would be fairer.
- There should be a deemed rate of return based on a figure that equates to the average dividend yield of Australian ASX 200 shares.
- There should be a deemed rate of return of 2 to 3% upon all overseas shares and property investments as a simple compliance cost alternative.
- The deemed rate of return should be a simple calculation based on the average actual rate of all shares listed on the NZX.
- There should be a standard rate of return calculated at 5% of the cost of the share.
- The tax should be a deemed dividend on investments outside New Zealand and Australia, being the greater of actual income received or deemed dividend income of 3% of the value of the investment at 1 April each year.

### **Comment**

Officials note that these submissions have been taken into account as part of the government's decision to recommend consideration of the fair dividend rate method by the Finance and Expenditure Committee.

### **Recommendation**

That the submissions to replace the market value methods with a deemed rate of return method be noted.

## **OUTSIDE SCOPE OF THE BILL**

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Some submissions on the offshore proposals also suggested changes that were outside the scope of the bill:

- A tax on realised gains should apply to all assets (for example, at a rate of 30%). Personal income tax rates should be correspondingly reduced. Owner-occupied housing could be excluded from the tax. The first \$10,000 in gains could be excluded from the tax. Some submissions further suggested that this tax should be independent of the taxpayer's marginal rate, and some suggested it should be an inflation-indexed tax.
- Imputation credits should be given for foreign dividends.
- Company tax and income tax should be reduced.
- Company tax rates should be higher than individual tax rates.
- Income tax on low levels of income should be abolished or minimised and replaced with a capital gains tax and higher GST on alcohol, high-fat foods and TV to modify New Zealanders' behaviour.
- Healthy food should be exempt from GST.
- GST should be increased, which means a larger number of people contribute to the tax take, including overseas visitors.
- Personal tax should be abolished to give greater incentives to work longer hours and to an older age.
- The requirement for returning New Zealanders to have been absent for at least ten years to get the exemption on their foreign income should be lowered to five years.
- There should be a stamp duty on property, with a limited threshold for owner-occupied housing.

### **Comment**

Some of these submissions, such as those relating to the company tax rate, will be addressed by other government initiatives such as the Business Tax Review. Other measures, such as the temporary exemption from tax on overseas income for new migrants, relate to previously enacted legislation. However, all these submissions are outside the scope of this bill.

### **Recommendation**

That the submissions be declined.

## APPENDIX OF SUBMISSIONS

---

<b>No.</b>	<b><i>Name</i></b>
1W	Earle Williamson
2W	Peter Schmuck-Poeschl
3W	Robert Fong
4W	Dave Sedcole
5W	Robin Grant
6W	Ronald (Leo)Leader
7W	Magnus Wright
8W	Linda Smallwood
9W	Thomas Cloher
10W	Grant McPherson
11W	David Bradding
13W	A Revington
14W	Rick Page
15	Roger Cane
16W, 16aW	Leigh Douglas
17W, 17W replacement	Robert Sweet
18W	Marc de Boer
19W	Garth Lawrence
20W	Jonathan Manson
21W, 21aW	Burkhard Wuensche
22W	John/Christine Rofe
23W	Tony Goddard
24W	Rosalind Ramsay
25W	James Hill
26W, 26aW	Shaun Wilkinson
27W, 27aW	Leigh Mair
28W	Ian Breeze
29W	M G Bradshaw
30W	Matthew Goodson
31W	Rosemary Weber
32W	Stephanie Watson
33W	Geoff Wilson
34W	Susan Goodall
35W	David Addis

<b>No.</b>	<b><i>Name</i></b>
36W	Mary Stanton
37W	Donanne Bowman
38W	Jerry Bowman
39W, 39aW	Rolf E Booker
40W	Adrian Gray
41W	Bernard Ivory
42, 42a	John Clark
43W, 43aW	Don Hammond
44W	Graham Astley
45W	Neil McLachlan
46W	Ruth Walker
47W	Jeremy Collins
48W	Malcolm Hope
49W	Rex/Ann Billington
50W	Garrath Cadness
51W	Brett/Lynsie Austin
52	Peter Levin
53W	Heather Wyse
54W	Jacqueline Eathorne
55W	Salim Aftimos
56W	Sue/Garry Hawkins
57W	Rosemarie Gough
58W	G N Swift
59W	Arthur Jolly
60W	Andrew Wegener
61W	John Herbert
62W	Donald Malpas
64W, 64a-eW	Jim Woods
65W	Christopher B Malone
66W	Karen Van Peurseem
67W	Richard Ellis
68W	E Guy Abel
69W, 69aW	Shane Moriarity
71W,71aW	John Rowlandson
72W	D Vance
73W,73aW	Malcolm & Doreen McPhee
74W	Alan Williams

<b>No.</b>	<b><i>Name</i></b>
75W	Laurie Lautmann
76W	Judith Bennett
77W	Michael McIntyre
78W	Kirsten P Woods
79W	Roger Brebner
80W	Patrick A Frengley
81W	Edmund J Boros-Gyevi
82W	Malcolm Eves
83W	James Twist
84W	Walter Sheather
85	Desmond Hunt
86W	Joe Woollaston
88W	David Scoffham
89W	Maurice & Anne O'Reilly
90W	Bill Gibson
91	Jennifer Pitches
92W	Bruce & Barbara Seaman
93W	Gary Colhoun
94W	Richard Watts
95W	Mr and Mrs B Davies
96W	Beverley Wilson Donald
97W	Peter Dudfield
98W	Ping Wah Ho
98aW	Gloriena Leung
99W	Tom Davies
100W	P M Grundy
101W	Bronwyn Smits
102W	Helen Glyde
103W	Christopher Mitchell
104W	Robert and Rolande Jones
105W	Des and Jan Adams
106W	Guy Ensor
107W	Michael Grace
108W	Bruce and Noeline Adams
109W	Simon Mark-Brown
110W	Jim Guyson
111W	R B Niven

<b>No.</b>	<b><i>Name</i></b>
112W	C N Wilson
113W	M J Selby
114W	Rosamund Scoffman
115W	P R Parry
116W	Jennifer Ann Thorpe
117W	Peter Gibbons
118W	Ross McIntyre
119W	Graham Hogg
120W	James Hoskins
121W	Steve Gross
122W	Alan and Barbara Bolam
123W	Sue Cassells
124W	Ian Long
125W, 125aW	Julia Finnigan
126W	Martin Spencer
127	Tim Cole
127W replacement	Rick Fala
128W	Andrew Rouppe van der Voort
129W	Andrew Tseumng
130W	Dorothy Mutton
131W	Fraser Pease
132	W E Flack
133W	Bryan & Sharon Evans
134W	Roy Wilson
135W	Grahame Joyce
136W	Jaap & Sue van Dorsser
137W	Michael Benjamin
138W	T J M Johnston
139W	B D & K L McMath
140W	John Stagg
141	Ian & Patricia Ramsay
142W	David R Meldrum
143W	Dr Frank Binns
144W	Ronald Richards
145	Nigel J Andrews
146W	John F Clifford
147, 147a	B R Sheppard, NZ Shareholders Association

<b>No.</b>	<b><i>Name</i></b>
148W	Samford L Maier Jr
149W	Graeme & Jennifer McGowan
150W	Alan West
151W	J & M H Wallace
151W replacement	Lynn Dunn
152W	John R Cole
153W	John Bishop
154W	Margaret Zube
155W, 155a-hW	Ian and Linda Rogerson
156W	Michael John Dunn
157	Iain Macfarlane
158W	Nicholas L & Don Stewart, Stewart Financial Group Ltd
159W	Dr Paul Hughes & Dr T Alexi
160W	Donald Cordes & Charlene Lutes
161W	Tim Vogel
161W replacement	John & Rosemary Cotman
162W	Brian Field
163W, 163aW	Gilbert A Hay
164W	Steve Ward
165W	Mr J N Plaistowe
166W	Ian H Jenkinson
167W	Alan Grove, The Grove Family Trust
168W	G D Norcliffe
169W	Steve Napier
170W	Shona Spencer
171W	Michael Mellsop
172W	B J Meadowcroft
173W	Clare Collins
174W	Brian Barraclough
175W	Michael Andrew
176W	Keith Davis
177W	E R Harrison
178W	Geoffrey C Hubbard
179W	Jennifer Barraclough
180W	Stewart Hawkins
181W	Betty Hawkins
182W	Delia Hudec



<b>No.</b>	<b><i>Name</i></b>
183W	Jacqui Simpkinson
184W	Andrea Richards and family
185	Alexander Mair Cowie
186W	Alan F & Margaret Harris
187W	O R Gilbert
187W replacement	Clark McLeod
188W	Peter & Sarah Brocklebank
189W	Lesley Adriaens
190W	Iris & Russell Brown
191W	Rodney Baldwin
192W, 192aW	Andrew Marshall
193W	John & Therese van Loon
194W	Philippa Williams
195W	David & Hamish Reid
196W	Mike Newton, Select Asset Management Ltd
197W	Patricia Rouse
198W	Alan Robinson
199W	John Barber
200W	Norman Hawkins
201W	Victor & Jane Lenting
202W	Peter J Knight
203W	Denis Lander
204W	S M Frengley
205W	Kerry P O'Neill
206W	Trevor Baron
207W	Mick Burdon
208W	John Davies
209W	Richard Cathie
210W	Tim Silcock
211W	Alison Cook
212W	Fenton Peterken
213	Pauline Robb
214	Shaun Auger
215W	Allen Smith
216W	Ian Arkle
217W	Grant Short
218W	No name

<b>No.</b>	<b><i>Name</i></b>
219W	Jonathan Ludgater
220W	Beryl Ludgater
221W	Wayne Gardner
222W	Tom Lanigan
223W	Kathryn Bayliss
224W	Warren & Shirley Yardley
225W	Mike Allen
225W replacement	Christine Colman
226W	James Clague Pacific Wealth Creators Ltd
227W	Paul Phillips
228W	George Horsburgh
229W	Claude Moffat
230W	John Wilson
231W	G P Carson
232W	L E Ogden
233W	Mike Panther
234W	Miles King
235W	Rachel Doughty
236W	Marion & Kevin Brooks
237W	Euan Macduff
238W	Jenny Staite
239	Keith L Muir
240	Bryan Trenwith
241W	Wayne Pincott
242W	David Rorke
243W	Hilary Monteith
244W	David M Marsden
245W	John Rowan
246W	Julian Aaron
247W	John Bowater
248W	Paula Anderson
249W	Peer Louw
250W	David Dalton
251W	Sadesh Natali
252W	James Stringer
253W	Peter M Hill
254W	Irene Tan

<b>No.</b>	<b><i>Name</i></b>
255W	Terry Beaumont
256W, 256a-cW	John Giblin
257W	Kath Cherney
258	Graeme Meyers
259W	Geoffrey Earl
260W	Gerardus Tacken
260W replacement	Elizabeth Kelt
261W	R A & M R Greenfield
262W	Linda Wright
263W	Darryl Schick
264W	Gordon Holmes
265W	Brenda Chawner & John Rankin
266W	Donald E Cole
267W, 267aW	Sue Stewart
268W	Keith Winstone
269W	Ian Milligan Financial Success Group
270W	Lannes Johnson
271W	John Logan
272W	Ivan Stott
273W	Elizabeth Barrowman
274W	Neil & Lynette Trotter
275W	Kevin Beesley
276W	Barry Wah Lee
277	John & Paula Garwood
278W	Nancy Peterson
279W	Brendan Vallings
280W	Lee A Sinclair
281W	Hamish Coleman
282W	Chris Hopper
283W	Alfred Memelink
284W	Robin Whalley
285W	Maurice & Diana Lubbock
286W	Julie & Dimitri Tretchikoff
286W replacement	No name
287W	Grant Harris
288W	John Pearce
289W	Ian Barnes

<b>No.</b>	<b><i>Name</i></b>
290W	Jennifer Gibb
291W	Julius Spencer
292W	Bridget Hodgkinson
293W	Graham D Hunt
294W	William J Kaulback
295W	Ronald L Griffiths
296W	Walter & Sue Schultz
297W	Max Tarr, Max Tarr Electrical Ltd
298W	Michael J Newsome
299W	Keith Ferguson
300W	M L Newman
302W	Jonathan Olsen
303W	Frank Stewart
304W	Marshall Gray
305W	Terry Pike
306	David Lawton
307W	Peter Scott & Graham Lawrence, KPMG
308W	K A Rainey, Sothertons Ltd
309W	Henry Michael Horton
310W	J T Ward
311W	H N Goddard
312W	Lesley Airey
312W replacement	Graeme Wickham
313W	Bill and Joy Rea
313W replacement	Mary Symmans
315W	Ian & Lynette Carson
316W	Dr Jeremy O Cooper
317W	Neil Harvey
317aW	Neil Harvey
318W	Chris Hopper
319W	John Peet
320W	J M & N V Bell
321W	(unable to read name) & Ronald Hill
322W	Peter Kusabs
323W	Joan Crabtree
323W replacement	David Broughton
324W	K M Giffney

<b>No.</b>	<b><i>Name</i></b>
325W	P R W Ellis
326W	John Seton, Claymore
327W	J P Bissett
328W	L D Chabra
329W	Don Capper
330W	H J Tuck
331W	Barry E Ward
331W replacement	Pamela Batten
332W	Andrew McLean
333W	Guy Malthus
334W	Keith Malcolm Howie
334W replacement	Diana Crombie
335W	G Hansard
336W	S Pearce
337W	Phil & Pam Hansen
338, 338a	Richard Barker
339W	David Cheape
340W	Deryk & Nancy Lawrence
341W	Jane Gertrude (Trudie) Wagstaff
342W	Tony Sullivan
343W	Peter & Vicki Hyde
344W	J E Bennett
345W	J L H Williams
346W	S A Williams
347W	John & Mirabel Sievers
348W	No name
349W, 349a-bW	Mrs S M Stevens
350W	Peter & Jenny Alison
351W	No name
352W	Eion Edgar, Forsyth Barr Group Ltd
353W	Alistair Edmond
354W	Paul Tindill
355	Hugh Perrett
355a	Hugh Perrett
356W	Robert & Doris Bilton
357W	Duncan Balmer, FMG Investment Advisors
358W	John & Anne Barry

<b>No.</b>	<b><i>Name</i></b>
359W	Drs Ian & Joanna McKinnon
360W	Pete Thomas
361W	Dr Michael Ashby
362W	Dr Greg Day
363W	Dr Andrew Miller
364W	Greg Stump
365W	Patrick T Holmes
366W	Susan Riddell
367W	Michael Rowarth
368	Greg van Schaardenburg
369W	Mark & Carol Stevenson
370W	Robyn Boocock
371W	Stephen Golledge
372W	Edwina Charlett-Green
373W	Ian Coppins
374W	Adrian Meys
375W	Peter Milner
376W	Doug Leighton
377W	Hugh A Mawson
378W	John Charlett-Green
379W	Trevor L Freeman
380W	No name
381W	David Paulin
382W	Anonymous
383W	No name
384W	Dorothy Toogood
385W	Michael Walshe
386W	Graeme & Deborah Ballantyne
387W	David Meys
388W	K W McCook
389W	David Murphy
390W	Dr Michael Hurley
391W	Kay Panther
392W	Philip de Lisle, Axiome Consultants Ltd
394W	Philippa Dyer
395W	Karin Won
396W	Ken Baldock

<b>No.</b>	<b><i>Name</i></b>
397W	Donald Roxburgh
398W	Kent MacLachlan
399W	Simon Ritchie
400W	Rob & Jenny Gill, Tresco Ltd
401W	Ben Saunders
402W	Timothy Ross
403W	Antony & Margaret Morris
404W	Donald MacFarlan
405W	John Fraser
406W	John & Marian O'Connell
407W	Hugh Morgan
408W	Peter Kennerley
409W	John Hall
410W	Drew Parsons
411W	Marion & Bryan Merriman
412W	Pilar Heffernan
413	Arthur Jacobson
414W	Amanda & Paul Day
416W	H H & Y C Jardine
417W	David Weikart
418W	Alan Kemp
419W	Dr David Innes
420W	Kurian Verghese
421W	Sheryl Setter
422W	Chris Hatton
423W	Bruce & Joanna Blomfield
424W	Michael & Margaret Sommerville
425W	Dr Janek S Januszkiewicz
426W	John Hartley
427W	John Stewart
428W	Fiona Gray
429W	Tim Gorton
430W	David Clegg
431W	Ronda Rickman
432W	Heather Wagstaff
433W	Neil Wagstaff
434W	Kavita Deobhakta

<b>No.</b>	<b><i>Name</i></b>
435W	Frank Burns
436W	Bruce Sanderson
437W	No Name
438W	Cameron Watson, ABN AMRO Craigs
439W	Jasmine Archer
440, 440a	Mark Houghton, Saxe-Coburg Ltd
441W	M S & B M Haslett
442W	Philip Bunker
443W	James Bell Donald & Beverley Ann Wilson-Donald
444W	Scott Bready
445W	John Feringa
446W	Ron Speirs
447W	John & Hannah van der Vegte
448W	Andrew J Skokandich, AJS Chartered Accountants Ltd
449W	Don McNicoll
450W	Linda Stansfield
451W	John & Jill Ronald
452W	R S W Skinner
453W	Bryan Johnson
454W	John Newsham
455W	Richard Procter
456W	Mark Winter, Oyster Property Group Ltd
457	Alan Reid
458W	Mike Byrnes, Vivo Ltd
459W	Kerry Coulton
461W	Alison Barr
463W	No name
464	John A Russell
465W	John Anthony Butler
466W	Dr Rob Ebert
469W	Stephen & Robyn Cox
470W	P Edward
472W	Neville Miller
473W	Robyn & Michael Oliver
474W	Robert B Armstrong
475W	Dorothy H Ogilvie
476W	Tony Barr



<b>No.</b>	<b><i>Name</i></b>
477	Karen Barrett
478Wa	Dr GA & Mrs ML Nicholls
480W	H C Hare
481W	N E G (Gain) Zohrab
482W	Graham Still
483W	No name
484W	Dr Geoffrey Pritchard
485W	Brian Alexander McNamara
486W	Annette Jean McNamara
487W	Trevor Denis Nugent
488W	C A Yandle
489W	Brian Setter
490	Dr David Cole
491W, 491aW	Dr Brian M Thomson
493, 493a	Lloyd J Christie
495	Andrew Harnos
497W	Gerald Bruce-Smith
498W	H A Goddard
499W	Derek Donald Robison
500	D J T Kinnell
501	Michael Bullen
502	Howard & Dorothy McHattie
504W	Graeme Scrivener
505, 505a	Mr Allen H Smith, on behalf of The NZ Shareholders Assoc (BOP Branch)
506W	David R Wood
507W	Rob L F Snoep
508W	No name
509	David Wensley
509A	David Wensley
511W	Rachel John
512W	Russell Comber
513	David Barton
514W	R J Hutson
515W	Name on covering letter – not attached
516W	R D Walls
517W	D A Bilkey
518W	J A Bilkey

<b>No.</b>	<b>Name</b>
519W	Greg Daulton
520W	Bruce A & Judith A Cunningham
521W	JM Wilson & MT Macdonald
522W	Sarah Taylor
523W	James & Sophie Rofe
524W	Brian Otto
525W	Basil Gimblett
526W	No name
527W	No name
528W	SimonTyler
529W	D W Fregley
530W	Murray Hill
531W	R K Norman
532W	Adrian Abraham & Cory Hope
533W	John Parker
534W, 534aW	Antony Ogilvie
535W	JL & VE Meijer
536W	Ian Parton
537W	WR & FM Wilkinson
538	James Connell
539	Alan & Sue Upritchard
540W	Kevin Such
541W	Andrzej Tomecki
542W	Anonymous
543W	No name
544W	No name
545W	Anonymous
546W, 546aW, 546bW	Anonymous
547W	Graham Hull
548W	Anonymous
549W	Laurie Williams
550W	RJ & __ Watson
561	W Verhoeven
562	G E O'Connor, New Zealand Policy Association
570a	Richard Entwistle
589a	Greg Knowles, KPMG
593	Westpac Banking Corporation New Zealand Division, BT Funds

<b>No.</b>	<b>Name</b>
	Management NZ Limited
596, 596b	Investment Savings & Insurance Association of NZ Inc
597	John Shewan, Paul Mersi, PricewaterhouseCoopers
597a	Teresa Farac, PricewaterhouseCoopers
597b	G J Palmer, PricewaterhouseCoopers
598	Trustees Executors Limited
599	Kingfish Limited
600	Fisher Funds Management Limited
601	Petroleum Exploration and Production Association of NZ
602W	Deborah Marris, ANZ National Bank Ltd
603	Lance Jenkins, Goldman Sachs JBWere
604W	BL Mason, Meat Industry Superannuation Scheme
605	Chris Horton
606	Edgar Brooker
607	Rodney Jones, Wigram Capital Advisors Ltd
608	ING
609W	AMA Capital Management
610	Murray Lazelle, Lazelle Associates Ltd
611	Simon Tompkins, New Zealand Assets Management Ltd
612, 612b	Maunsell Ltd
613W	Alastair McBeth, Lynette Smith, Phillips Fox
614W	Li Mae Loke, Plan B Financial Services Ltd
615W	Business NZ
616W	Christine Low, Heather Smith, National Council of Women
617W	Ian Millard
618W	Gillian Robertson, The Retire Funds
619W	John Cheese
620W	Garry Carleton
621W	WMG Yovich
622W	Graham Hammond
623W	Audrey Williamson
624W	J G Crane, DFA Australia Limited (Dimensional)
625W	Richard Ridout
626W	JF & LM Stewart
627W	Millennium Super Scheme
628W	Eric & Susan Scharpf
629W	H C Holmes

<b>No.</b>	<b><i>Name</i></b>
630	John Lockie, Lockie & Associates Ltd
631, 631a	R P Deeble
632W	Jocelyn Stott
633W	Traudi Stott
634W	Margaret Cooper, George Slade
635W	Matthew Mimms, The Investment Store Ltd
636W	EE & SM Ogier
637W	Catherine Pritchard
638W	PS Quaid, Gabites Limited
639W	John Galt
640W	State Street Global Advisors
641W	DL Somers-Edgar, Money Managers
642W	Linnet Stott
643W	Murray Wratt
644W	Alan & Mary Cubie
645W	D D Fergusson
646W	MJ & JL Kenna
647W	George Cheavin
648	Susan McCarthy
649W	Francis Stott
650W	Alan Norcott
651W	Suzanne Norcott
652W	Carl Julius
653W	Lyle Dodds
654W	Graeme Upritchard
655W	MJH Hermans
656W	Adrian Hare
657W	DJ Studholme, Sothertons
658	ID MacGregor
659, 659a	Bernard Gresham, Rutherford Rede (Wgtn) Ltd
660	Dirk Hudig
661	Tom Reynolds
662	Simon Wilkinson, Virionyx Corporation Ltd
663, 663a	JB & MJ Cooke
664	Richard Francis Locke, Virionyx Corporation
665	Peter & Lauris Roberts
666	Ed Crampton

<b>No.</b>	<b><i>Name</i></b>
667	David Castle
668	Oliver Saint
669	Lloyd Greenfield
670	Gary Swift
671	Peter Taylor
672	Pat Sheehan, PSBG
673	Colin Clarke
674W	Waterfront Industry Superannuation Fund
675W	Gerald Fitzgerald
676W	Julie Woolner
677W	Ted Montague
678W	Tony Gray, Mighty River Power
679W	Michael Jeffs, JBWere Transtasman Equity Unit Trust
680W	Simon Cairncross
681W	DR & EJ Hopwood
682W	John Williamson, Private Trust Company Ltd
683W	Jeremy Thompson, Financial Strategies
684W	Joanne Willet
685W	Andrea Wildes
686W	Peter Austwick
687W	Janet John
688W	Wayne Thomas
689W	Mark Holdsworth
690W	Robert John
691W	Stephen Hansen
692W	Lyon Family Trust
693W	Oscar Grant
694W	WJ & MK Grant
695W	K Campbell
696W	Peter Diessl
697W	JM & JM Scott
698W	Barbara Mace
699W	Richard Mace
700W	Beverley Wallis
701W	Marilyn Powell
702W	Don & Heather Wallace
703W	Georgina Ellis-Williams

<b>No.</b>	<b><i>Name</i></b>
704W	Thomas O'Donnell
705W	David Sharman
706W	Diana Stronach
707W	Steve Joffe
708W	John White
709W	WA & J Fraser
710W	Julia Gardiner
711W	C Rimmer
712W	Craig Leishman
713W	Keith Carley
714W	JJK Spiers
715W	BH & PA Croft
716W	No name
717W	Brian Nelson
718W	Judith Van Geest
719W	Max Saunders
720W	Rod Omnet
721W	JI Grant
722W	Jon & Sue Monk
723W	GJ & TJE Palma
724W	Jock Schoeller
725W	Anthony Ingle
726W	MJ Payne
727W	Vincent Maffey
728W	Olive Weddell
729W	Geof Nightingale, Ernst & Young Ltd
730W	Patricia Langford
731W	KR & C Rivers
732W	RAJ Britton
733W	Graeme Stokes
734W	The Todd Corporation Limited
735W	No name
736W	Jacqueline Valentine
737W	Eric & Raewyn Shiels
738W	Douglas Martin
739W	Martin Watt
740W	A J Fairbairn

<b>No.</b>	<b><i>Name</i></b>
741W	N R Barlow
742W	G J Donkin
743W	David Carter
744W	Clive Roberts
745W	John McDaniel
746W	Clare Hart
747W	Craig Hart
748W	DJ & MA Hamilton
749W	Ivan James
750W	Denis Smith
751W	Paul Dobosn
752W	Barry Pearson
753W	JL Valentine
754W	Nicholas Olson
755W	R G Tallon
756W	Richard Nelson, Taylor Investment Ltd
757W	Alan & Wendy Plucke
758W	Gerald Gibbard
759W	T A Jones
760W	L C Challis
761W	A K Curran
762W	John Garland
763W	Ian Gardiner
764W	Philip Wrigley
765W	Jeff Penno
766W	Amanda Martin
767W	Robert Lawford
768W	A R Martin
769W	Bruce Webster, Webster & Company Ltd
770W	Maurice Walsh
771W	Susan Iorns
772W	Brian & Maureen Connor
773W	Robin Scoular
774W	Laraine Hughes
775W	John Hayes
776W	Caroline Sheppherd
777W	Margaret Hudspith

<b>No.</b>	<b><i>Name</i></b>
778W	J C Burdon
779W	Humphrey Nisbet
780W	David Spokes
781W	Brett Flintoff, Flintoffs Chartered Accountants Ltd
782W	A Finlayson
783W	C J Colbert
784W	Barbara Waller
785W	Brian & Margaret Green
786W	Monica & Christopher Cotter
787W	Paul Muir
788W	Donald Foster
789W	No name
790W	J G Stevens
791W	Ian Greaves
792W	Adrian Rickards
793W	R P Stevens
794W	Colleen Johnson
795W	Barry & Lai Thornton
796W	Nigel Barak
797W	F G Grover
798W	Syd & Ellen Phipps
799W	R J Galloway
800W	Michael & Margaret Tomlinson
801W	M A Walsh
802W	S & R Cope
803W	T A Bliss
804W	Ralph Samuelson
805W	Richard Lamb
806W	Bret Jackson
807W	James Porteous
808W	Joanna Bason
809W	Barbara & Tony Johnson
810	D Cope
811W	Nigel Harwood
812W	Barbara & Jim Steele
813W	David Emanuel
814W	Garry Moore



<b>No.</b>	<b><i>Name</i></b>
815W	David Kingston
816	Martin Dowse
817W	Patricia Northey
818W	William Stevens
819W	Penny Sawyer
820W	Janet Hayden, Goodman Fielder,(NZ) Retirement Plan
821W	Deryk, & Nancy Lawrence
822W	W E Cadwallader
823W	Andrew McLean
824W	Neil Ockwell
825W	Richard & Mary Talbot
826W	Jean & Don Reeve
827W	A M Geddes
828W	VM & RG Clarke
829W	Michael Brockman
830W	Eric Millar
831W	MC & EA Willis
832W	John Walker
833W	ST Gribbon
834W	Jacqueline Beder
835W	Jaimes Wood
836W	Jean Mulvay
837W	Doug & Helen Gilbert
838W	Bruce & Joanna Blomfield
838W replacement	No name
839W	Bruce Sanderson
840W	Oliver Roberts
841W	RG & B Brown
842W	Ray Hall
843W	Michael Sidey
844W	Mark Etheridge
845W	John Millar
846W	Michelle Haycock
847W	Peter Mancell, Asset Class Investors Association
848, 848aW	Judith Graykowski
849W	CW Archibald
850W	H & EE Turton

<b>No.</b>	<b><i>Name</i></b>
851W	John France
852W	Jonathan Simcock
853W	CJ Ingram
854W	Michael Hay
855W	Pip Irwin, Northplan Investment Specialists
855aW	Mark K Forsyth, Northplan Investments
856W	Alan Wood
857W	Richard & Healthier Kells
858W	Graham Hall
859W	R L Scott
860W	Sheila Emslie
861W	Sally Hansen
862W	Judy Breward
863W	Warwick Hay
864W	Michael Adler
865W	FG Thompson
866W	Christine Mora
867W	Gerry Williams
868W	Patrick Barnes
869W	JFG Ball
870W	Stanley Halliwell
871W	Graeme Samson
872W	Warren Austad
873W	DG Hamer
874W	Mark Alford
875W	Philip Jordan
876W	Simon Myhre
877W	Simon Lynskey
878	John Street
879	John & Barbara Jillett
880	First NZ Capital
881	Perpetual Trust Limited
882W	Lee Stevens
883W	Ian Holm
884W	John Gordon
885W	Paul Drury
886W	Mary Foster

<b>No.</b>	<b><i>Name</i></b>
887W	Malcolm Brown
888W	James Domett
889W	Warren West
890W	Adam Currey
891W	Adrian Steves
892W	Barbara Dyer
893W	Anthony Hopkins
894W	Bevan Murphy
895W	Bill Currey, Currey Financial Services Ltd
896W	Bill Forster
897W	Robert Strevens
898W	David Roke
899W	David Speight
900W	Rex Pearson
901W	Robin Dowie
902W	Diana & Kerry Drumm
903W	Beryl Carr
904W	Don McCormack
905W	DB Scott
906W	Dougal Rillstone
907W	Erik Olssen
908W	Ian Billings
909W	Robert Fowler
910W	Fraser Boddy
911W	Ian and Linda Rogerson
911W replacement	Olwyn Musgrove
912W	Ian Diamond
913W	Joan Gilchrist
914W	Jaimes Wood
914W replacement	Niels Campbell, Bell Gully for Dominion Funds Group
915W	Margaret Mollison
916W	James Makaweo
917W	Private
918W	John Ewins
919W	Jordan Cornes
920W	John Giblin
921W	John Hill, Apex Financials Services Group

<b>No.</b>	<b><i>Name</i></b>
922W	Greg Barclay, Claymore
923W	Kevin Youngman
924W	Capital Investment Planning Ltd
925W	Keith Carley
926	Martin Young & Lawrence Rose
927	Frances Lee
928W	RKJ Lee
929W	Mike Stanbridge
930W	No name
931W	Robin & B R Mann
932W	Nancy Gordon
933W	Robert Gordon
934W	Dean Carroll
935W	Margaret Bird
936	Frank Aldridge, William Stevens, Cameron Watson, ABN AMRO Craigs
937W	Mike Beal
	Missing
939W	Barry Murphy
940W	Nancy Synnestvedt
941W	Alistair Setter
942W	Margaret Coogan
943W	Pearces
944W	RS Jebson
945W	Roger Browne
946W	Ross Taylor
947W	John Hill
948W	Shelley Hanna
949W	Stan Andis, SJ & PA Andis Family Trust
950W	Peter Taylor
951W	Peter Wilson
952W	Paul Quinn
953W	Richard Mace
954W	Richard Browning
955W	Richard Hancock
956W	AV Steele
957W	Stephen Mills
958W	Roger White

<b>No.</b>	<b>Name</b>
959W	Vincent Pooch, key Business Partners Limited
960W	David Seton
961W	Ken Wilson
962W	RW Hughes
963W	Annelies, John, Mark, Paul Campbell
964W	Kevin Prince & Susan Enticott
965W	Greg Haddon, Deloitte
966	David Stevens, New Zealand Harbours Superannuation Plan
967W	Warren Roper
968W	Murray Finch
969W, 969aW, 969bW	Alan Kirk
970W	Martin & Vanya Crocker
971W	Susan Peacock
972W	Jas Laird
973W	Colin Hooker
974W	Clyde Smith
975W	Andrew Smith
976	William Stevens, ABN Amro Craigs
977W	Niels Campbell, Bell Gully
978W	Eugen Trombitas, PricewaterhouseCoopers, The World Swim From Malaria Foundation
979W	John Gordon
980W	No name
981W	Andrew Jeffs
982W	John Jackson
983W	Rod Stichbury
984W	Grant & Marie McDonald
985W	Bruce Beath
986W	Ian & Barbara Murray
987W	Lisa Marusich, HSBC
988W	Michael Stanley, American Chamber of Commerce in New Zealand
989W	Richard & Sarah Mayes
990W	Kim Manson
991W	Brian Dodds, Shand, Thomson Ltd
992W	MDH Fish
993W	Adrian Bodley
994W	George Wood
995W	Tony Waygood

<b>No.</b>	<b><i>Name</i></b>
996W	Claire Bruell
997W	RA Davidson
998W	Harry Thompson
999W	Noel Thompson
1000W	John Fisher
1001W	James Stevens
1002W	DM & SE Carden
1003	Bradely Nuttall Ltd
1004W	JWW, EM & PC Sloggett
1005W	Jane Pilkington
1006W	Greg Marr
1007W	Michelle Sims & Andrew Graham
1008W	Michelle Perkins
1009W	Lindsay & Catherine Maw
1010W	Vagn Klubien
1011W	Can't read name
1012W	Tom Jackson & Robyn Reid
1013W	GR & SC Naish
1014W	John Gordon
1015W	Susan Drew
1016W	John Denton
1017W	Julian Thompson
1018W	Simon and Janet Pay
1019W	Shona Bigham
1020W	John Judge
1021W	PE Bond Smith
1022W	DN MacLeod
1023W	KM Laird
1024W	JE Fletcher
1025W	Fernanda Twidle
1026W	Adrian Doyle
1027W	EH & BL Lucas
1028W	WL Wright
1029W	Kevin Davison
1030W	Cameron Watson
1030W replacement	Dillon O'Sullivan, Northplan Investments
1031W	Brenda Halliday

<b>No.</b>	<b><i>Name</i></b>
1032W	P Somerville
1033W	SV & AS Mayadeo
1034W	Anthony Ogilvie
1035W	Matthew Smith
1036W	DRW Hall
1037W	RG Myers
1038W	W S & AL Bond-Smith
1039W	Michelle Hull
1040W	RH Taylor, Taylor Grant Tesiram
1041W	David McConnochie, Northplan Investment Specialists
1042W	Ken & Heather Lawn
1043W	Shannon Walsh
1044W	Christopher Allen
1045W	John & Kirsty Reeves
1046W	Alan Foster
1047W	Rex Frye
1048W	Martin Kinder
1049W	L Evans
1050W	AH Stuart Bridgman
1051	Anthony Keeper
1052W	Geoffrey Lamb
1053W	No name
1054W	Stephen Mills
1054W replacement	Andrea Booker
1055W	JM Richardson
1056W	Robert Kyle
1057W	Anonymous
1057W replacement	J Crabtree
1058W	Neil Carter
1059W	RE Webber
1060W	Tony Wallace
1061W	Gavin Dann
1062W	Ian & Patricia Abbott
1063W	RJ Lodge
1064W	JD Lynch
1065W	Martin Kinder, Te Tahuna Trust
1066W	Janet Milne

<b>No.</b>	<b><i>Name</i></b>
1067W	AI Boddy
1068W	AA Cooper
1069W	Rob Buckett
1070W	Lynette Keeper
1071W	Timothy Fletcher
1072W	AW Bayliss
1073W	Brian Blackford
1074W	No name
1075W	RT & EA Young
1076W	Kerryn Downey
1077W	Can't read name
1078W	Jhn Jackson
1079W	Wendy Brackstone
1080W	Gregory Marshall
1081W	Warwick Smith
1082W	MPD Bonifant
1083W	WR Grieve
1084W	Kevin O'Connor
1085W	IS Frame, Rangatira
1086W	BD Wilkinson, Capital Economics Ltd
1087W	Robert Todd
1087W replacement	Barbara Gatley
1088W	Max Smith, Ritchie Mein, Robin Harrison, Barbara Duff, Peter Heffernan, Henk van Lier, NZ Shareholders Association Inc
1089W	Guy Mahony
1090W	BJ Wheeler
1091W	Peter Coltman
1092W	Helen Cox
1093W	Colin Crombie
1094W	Sandra Kyle
1095W	Vivian Mack
1096W	Roger Hynd
1097W	Diana Power
1098W	Kenneth Ovenden
1099W	Alistair Setter
1100W	AA Bolton
1101W	Michael Power
1102W	RA Scampton



<b>No.</b>	<b><i>Name</i></b>
1103W	Pamela Williams
1104W	JR Lowe
1105W	Anthony Mulcock
1106W	BA Beard
1107A	Ann Martin, Age Concern New Zealand
1108W	Alan Best
1109W	Allan Bigham
1110W	Paul Tuckey
1111W	B Upton
1112W	No name
1113W	David & Margaret Harrop
1114W	Graeme Clark
1115W	Jerry Stockdale
1116W	Peter & Marget Brown
1117W	Bill Forster
1118W	CG Lever
1119W	Paul Elwell-Sutton
1120W	Bruce Fraser
1121W	David Pearce
1122W	Shaun Gallagher, Financial Wisdom
1123W	Murray Butts
1124W	Donald Johnston
1125W	No name
1126W	Nancy Synnestvedt
1127W	G J Horne
1128W	Sarah Britton
1129W	No name
1130W	Stuart McNicoll
1131	David Patterson
1132	David Sawtell
1133	Deborah Carlyon & Susanna Stuart, Stuart & Carlyon Ltd
1134	Paul Devereux
1135	Robert Meikle
1136	John Cliffe, Cliffe Consulting
1137	PricewaterhouseCoopers
1138	Charles Goodwin, Perpetual Trust Limited
1139W	Graham Evans

<b>No.</b>	<b>Name</b>
1140	Missing
1141, 1141a	MCA NZ Limited
1142, 1142a	Carter Hold Harvey Employee Benefits Plan & Carter Holt Harvey Retirement Plan
1143, 1143a-b	Dr Susan St John, Michael Littlewood, University of Auckland
1144, 1144a-c & 1144e	Warren Head, Head Consultants Ltd
1145	Bruce Bernacchi, General Electric
1147	Chip Dawson, Software New Zealand
1148	Frank Aldridge, ABN AMRO Craigs
1149, 1149a	Helen & David Meale
1150W	David Scott
1151W	David Franks
1152W	David Haywood
1153W	Don Broad, Broadbase Otago
1154W	Donald Armstrong
1155W	Doree Gerold
1156W	Edith Eaton
1157W	Elaine Mildren
1158W	Elizabeth Jones
1159W	Mr & Mrs Shehan
1160W	DM & JM O'Meara
1161W	Gail Mosey
1162W	Gary Morgan, Morgan Taylor Limited
1163W	Gavin Ellis
1164W	Ian Bell, Pita Alexander, Paul Alexander, Wealth Management Services Ltd
1165W	Ian & Julie Vickers
1166W, 1166aW	Lesley Dudding
1167W	New Zealand Investment Trust
1168W	JMT Wells
	Missing
1170W	Kenn Butler
1171W	Kevin Brewer
1172	KW & CL Watkins
1173W	Michael & Esther Radlinski
1174W	Chris Taylor
1175W	Suzanne Kinnaird
1176W	Terry Baucher, Baucher Consulting Limited

<b>No.</b>	<b><i>Name</i></b>
1177W	Terry Mansfield
1178W	Tim & Elizabeth Jelleyman
1179W	Thomas Gaskell
1180W	Tim McLean & Tania McNae
1181W	Trevor Oliver
1182W, 1182Wa	Trevor Smith
1183W	Vicki Watson, Aspen Investments
1184	Missing
1185W	Wallace & Elizabeth Gracewood
1186W	Craig Rickett
1187W	Warwick Marriott
1188W	Wayne Petersen
1189W	Wendy Dykes
1190	Diversified Investment Strategies Ltd
1191W	Stephen Styants
1192W	Alistair Tod
1193W	Allister Mora
1194W	Andrew Burn
1195	Missing
1196W	Andrew Jones
1197W	AD McEwen
1198W	Arthur Northcote
1199W, 1199aW	Barry Kirkland
1200W	W McKinlay
1201	Name in letter – not attached
1202W	Sir Ronald Trotter
1203W	Brian Sole
1204W	Gwen & Chris Bossley
1205W	Joan Barry
1206W	Colin Christian
1207W	Daniel Pearce
1208W	Dennis Dowie
1209	Derek Olphert
1210	Li Wolf
1211	Name in letter – not attached
1212W	Rob Earles
1213W	No name

<b>No.</b>	<b><i>Name</i></b>
1214W	G J Powell
1215W	Kevin Beck & Lyn Howe
1216W	Leigh Overton
1217W	Elizabeth & Campbell Mitchell
1218	Louis Boulanger, Now Limited
1219W	Mr GV & Mrs BM Mutch
1220W	Wallace & Annaliese Gilbert
1221	Ernst & Young
1222W	Graham Hammond
1223W	Graham Johnson
1224W	Robert Nicoll
1225W	Steven Darnold
1226W	Greg Haddon, Deloitte
1227W	Alan Grove, The Grove Family Trust
1228W	Honor Hurly
1229W	Charles Hutton
1230W	Ian & Linda Rogerson
1231W	John Robson
1232W	David & Deborah Crowe
1233W	Malcolm & Doreen McPhee
1234	Bill Roberts
1235W	Marian Carter
1236W	Mark Bathurst & Libby Harrison
1237W	Mark Lister
1238W	Max Stevenson
1239W	Michael Roberts, Blackmore Virtue & Owens
1240	John Crawford
1241	Missing
1242	Missing
1243	Missing
1244W	Chas & Gay Thorburn
1245W	Michael Nudds
1246W	Clair A Jewell & Simon C Mowbray
1247W	Neil Carter
1247W replacement	Darryn Crothall
1248W	Neville & Bronwyn Bell
1249W	Neville Horne

<b>No.</b>	<b>Name</b>
1250W	Nick & Marg Webb
1251W	Okke Hansen
1252W	F Owen Cleave
1253W	Patrick & Jean Klemp
1254W	Paul Davidson
1255W	Paul Tudor & Teresa Seux
1256W	Peter Rea
1257W	Christine & Phillip Dooney
1258W	Karen O'Connor
1259W	Richard
1260W	Regan Carey
1261W	Janet Myers
1262W	Bill and Lee Burdon
1263W	Robert Black
1264W	Robert Wynne
1265W	Selwyn Parker, Broadbase Tauranga Ltd
1266W	Stephen Barnes
1267W	Stephen Fitzjohn, Thrive & Survive Ltd, Think Money
1268W	Stephen Parr
1269W	Glenis Marsden
1270W	Mark Alford
1270W replacement	Stan Martin
1271W	Richard Ridout
1272W	EH & BL Lucas
1272W replacement	Brian Johnston, Greerton Bible Church
1273W	David Gregg
1274W	Richard Boon, Artefact Partners
1275W	William Burton
1275W replacement	Shiu Chun Ho
1276W	Bill Hurlstone
1277W	Graeme & Deborah Ballantyne
1278W	T & M Hodgson
1279, 1279WA	Thomas Pippas, Deloitte
1279A	Thomas Pippas, Mike Shaw Deloitte
1280W	Matthew Underwood
1281W	Alison Barr
1282W	Joanne Hodge, Bell Gully

<b>No.</b>	<b><i>Name</i></b>
1283W	Details to be confidential
1284W	Evelyn Seewald
1285W	Gavin Treadgold
1286W	Ross Weenink
1287W	Patricia Shiel
1288W	Stephen Martin
1289W	Steve Tunnicliffe, Hydro & General Engineering Ltd
1290W	S Macdonald
1291W	Keith Morrison
1292W	Lew Truscott
1293W	MR & MRS W S Couper
1294W	Wendy K Brackstone
1295W	Ray Hill
1296W	Michael Harris & William Bailey
1297W	Richard Butler
1298W	Roger & Valerie Green
1299W	Brian Bain
1300W	Richard Fisher, Apex Financial Services Group
1301W	Robert & Valerie Kelly
1302W	L Rosemary Everett
1303W	Stephen Adam
1304W	Scott Teviotdale
1305W	Shona & David Garry
1306W	Paul Gitmans
1307W	W P Judd
1308W	PJ Schmuck-Poeschl, A H Poeschl
1309W	Rachel Welsh
1310W	Noel Jamieson
1311W	Jeffrey Hamilton
1312W	Mervyn Huxford
1313W	Fiona Winchester
1314W	Neil & Glenys McGill
1315W	Marcus Henry
1316W	No name
1317W	Margaret Vennell
1318W	Mark Howard
1319W	Matt, Trace & Elena Abbott

<b>No.</b>	<b><i>Name</i></b>
1320W	Maureen Tunnicliffe
1321W	Max Fairhall
1322W	Michael Keehan
1323W	W David Whitney
1324W	Leigh Benfield
1325W	Lesley Fredericksen
1326W	John C Levy Jr
1327W	Louis Alfeld
1328W	Malcolm Don
1329W	Lynette & Bill Louston
1330W	DN MacLeod
1331W	Susan Fredericksen
1332W	Graham Waters
1333	John Street
1333P replacement	Private evidence
1334W	John Rowlandson
1334W replacement	Keith Howie
1335W	Graham Jones
1336W	Hamish Selby
1337W	Ian & Linda Rogerson
1337W replacement	Paul Van Koningsveld
1338W	Ian Gibbs
1339W	Lesley Dudding
1339W	Donna & Gary London
1340W	James Graham
1341W	Jan Power
1342W	Name on letter – not attached
1343W	Angela Clark
1344W	John Bent
1345W	John Cheese
1346W	John Commins
1347W	Kelvin Syms, Northplan, John Perris, Northplan, John Price, Swains
1348W	John Giblin
1348W replacement	Barry Ward
1349W	Graham Johnson
1350W	Joy Ladyman
1351W	Julian Thompson

<b>No.</b>	<b><i>Name</i></b>
1352W	Rodney Jones, Wigram Capital Advisors Ltd
1353	Kathryn Jones
1354W	Keith Rogerson
1355W	Terry Hibbitt, James Keat
1356W	Stephen Anderson
1357W	No name
1358W	Details to be confidential
1359W	Roger Turner
1360W	No name
1361W	Neil Taylor
1362W	Name in letter- not attached
1363W	No name
1364W	Details confidential
1365W	No name
1366W	Ruth Galloway
1367W	No name
1368W	Jenny Williams
1369W	Tony Johnston
1370W	Name on letter – not attached
1371W	Sue Piercey
1372W	Anonymous
1373W	Anonymous
1374W	Matthew Underwood
1374W replacement	O R Gilbert
1375 W	David McGiven
1376W	Lynette Scott
1377	Missing
1378W	Robert & Esther Joe
1379W	Denis Trotman
1380W	Neville & Margaret Hay
1381W	Colin Strang, Colin Strang Financial Services Ltd
1382W	Equity Investment Advisers & Sharebrokers Ltd
1383W	Fady Mishriki
1384W	Gabrielle Wilson, Gabrielle Wilson Ltd
1385W	Adrian Januszkiewicz
1386W	Janine Lee
1387W	Lindsay Brown



<b>No.</b>	<b><i>Name</i></b>
1388W	Korbinian Poschl
1389	Kim Bennett
1390	Missing
1391	Anthony Conroy
1392	John Galvin, JGFP Ltd
1393W	Susan Brodziak
1394W	Nick Williams, First NZ Capital
1395W	Graham Thiele
1396W	H C Ford
1397W	PJ King
1398W	Tony Rigby
1399W	Robert Loosley
1400W	Mark Dunwoodie
1401W	Barry & Mary McDonald
1402W	Ian Riley
1403W	Jan Solbak
1404W	Jim Marshall
1405W	RE Henstock
1406W	Peter & Deidre McCrea
1407W	R & M Evans
1408W	Neil Dowsett
1409W	Rex Ward
1410W	Joan Hall
1411W	Linda Biggs
1412W	Paul Hicks
1413W	Brent Neal
1414W	Jim & Diane Haines
1415W	Gary Ballinger
1416W	Brian Steele, Shoreline Partners
1417W	Ruth Hall
1418W	Duncan Ingram
1419W	Wayne Leahy
1420W	Alastair Swan
1421W	Andrew Williams
1422W	Barrie Townsend
1423W	Joanna Ewing
1424W	Scott Gilmour

<b>No.</b>	<b><i>Name</i></b>
1425W	Brian & Anne Davis
1426W	Bonni Wilde
1427W	Tiffany Bower
1428W	Ewen & Ngaire McDonald
1429W	Megan Young
1430W	Michelle Panther
1431W	John Mallinson
1432W	Alastair Stark
1433W	Terry & Barbara Cass
1434W	Patrick Conor
1435W	Tony Hogg
1436W	Leah McCann
1437W	John Musgrove
1438W	Robert Good
1439W	Anne Carter
1440W	Peter Turner
1441W	Scott Newman
1442W	Peter & Cleone Blomfield
1443W	Claire Jenkinson-Johns
1444W	Lauren Maser
1445W	Jonathan Spink
1446W	Bernard O'Neill
1447W	Barry Poole, Hardwood Management
1448W	Caroline Kirkpatrick
1449W	Sandy Grove for Dave & Sunita Finney
1450W	Details confidential
1451W	Sandy Grove for Ganesh & Raewyn Mahadevan
1452W	Trevor Knopp
1453W	Edward Stockley
1454W	Details confidential
1455W	IS Frame, Rangatira Ltd
1455W replacement	Frances Lawrence
1456W	Christine McIntosh
1457W	Dean Coutts
1458W	Craig Empson
1459W	Darren Klemp
1460W	Details confidential

<b>No.</b>	<b><i>Name</i></b>
1461W	Christopher Lynskey
1462W	Details confidential
1463W	David Lont
1464W	Anonymous
1465W	Details confidential
1466W	Details confidential
1467W	Details confidential
1468W	Details confidential
1469W	Details confidential
1470W	Details confidential
1471W	Details confidential
1472W	Details confidential
1473W	Details confidential
1474W	Neil Carter
1474 replacement	P R W Ellis
1475W	Brian & Brenda Parker
1476W	John Gallaher
1477W	Details confidential
1478	Mercer Investment Consulting
1479W	Details confidential
1480W	Hamish McPhail, the Wealthcare Group
1481W	Bruce Mckay
1482	Brian Dodds
1482W replacement	Robert Nicoll
1483W	Alan Caudwell
1484 replacement	Alexander Wilson
1484W replacement	Cheryll Hopping
1485W	Derek Brewster
1485W replacement	R A Davidson
1486W	Mike Allen