

Tax Working Group Public Submissions Information Release

Release Document

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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.

Hello

Here are my thoughts on the future of taxation in New Zealand:-

1. First and foremost we need to bring in a universal (for every NZ resident starting from birth upwards - cradle to grave) individual personal tax allowance. The sum per annum of tax exemption can be arrived at using a base figure decided by parliament - eg sufficient for a person to live on. Once adopted this will advantage not only the general population, but also the IRD. A lot of individuals will be taken out of the tax system - some people with part time jobs, and school aged children with small savings. There will be less paperwork generally.
2. My personal experience in regard to tax on foreign currency. My Mother sadly died on the 17th March 2016 in the U.K. lawyers were acting in the Estate and were dealing with selling her property and collecting in her savings etc. The day they released her legacy into my account was a date I had no control over, and in fact I had no idea that this date was a material one for income tax. As the exchange rate was particularly bad around that time, and seeing as my Mother had worked extremely hard over the many years (especially during the times unskilled women earned very little, and certainly not on an earning par with men) felt it was my duty to her memory to wait for a better exchange rate before changing the inheritance, because it would seem to me that I was "throwing" her money away. Unbeknown to me at that time that there was a tax implication in the exchange process, and that I would be deemed liable on a paper gain when in fact I hadn't made one. Over the time before the money was exchanged from GBP to NZ\$ was just over a year, and during all that time my husband and I suffered extreme stress due to not knowing how much tax I would be liable for. Surely a tax system shouldn't include this type of trap for the unwitting or recently bereaved. I feel this whole issue needs to be rethought out to make it a much fairer system. Even now our accountant hasn't been able to tell us what we will have to pay, due to the complexity of the

The Kiwi Saver - should include more incentives for all, including the over 65's, as many of them do not retire at that age.

Tax Forms should be simplified so that everyone finds them simple to complete, and able to be downloaded and filled in my hand should the individual prefer not to complete them on line for privacy issues.

Property Taxes - Capital Gains Tax should be levied on all foreign sellers, and exemptions should be in place for selling within 5 years should the sale be due to a death or transfer of work.

Do hope you take the time to consider my comments.

Many thanks
Carol