

## **Tax Working Group Public Submissions Information Release**

### **Release Document**

**September 2018**

**[taxworkinggroup.govt.nz/key-documents](http://taxworkinggroup.govt.nz/key-documents)**

Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 9(2)(a) - to protect the privacy of natural persons, including deceased people;
- [2] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage.

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

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



# DEVELOPMENT WEST COAST

*Te Ohu Whakawhanake o Te Tai Poutini*

30 April 2018

Tax Working Group Secretariat  
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By email [submissions@taxworkinggroup.govt.nz](mailto:submissions@taxworkinggroup.govt.nz)

## SUBMISSION TO TAX WORKING GROUP

Development West Coast(DWC) was set up as a Charitable Trust in 2001 to manage, invest and distribute income from a fund of \$92 million received from the Government. This fund was an adjustment package for the loss of indigenous forestry and the privatisation of much infrastructure on the West Coast in the late 1990s.

DWC is submitting on two specific areas relating to DWC and other charities.

### Land Tax

DWC is not submitting on the merits or otherwise of a land tax. However, if a land tax is recommended by the Tax Working Group, then DWC submits that charities should be exempt from this tax. A charity's ability to carry out their charitable purpose could be adversely affected by having to pay land tax. An exemption would ensure a charity makes operational and investment decisions with a neutral tax position.

### Imputation Credits

Under the current tax system charities are unable to utilise imputation credits on dividends received. This can mean charities look at investment decisions with a bias toward investments that do not pay dividends. Alternatively, it reduces the amount of income available to charities to carry out their charitable purpose. In some cases it can increase the cost of a charity's operation. DWC submits that imputation credits become refundable to a registered charity.

Yours faithfully

[1]

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**WEST COAST**  
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