

# Table of Contents

	Page
Highlights	
2015 — The year at a glance .....	xi
Looking Ahead .....	xvii
<b>Chapter</b>	
1 Tax System .....	1
2 Tax Returns .....	78
3 Employers' Responsibilities .....	126
4 Assessments and Disputes Resolution .....	195
5 Income .....	234
6 Financial Arrangements .....	331
7 Land Transactions .....	402
8 Student Loans .....	468
9 Trading Stock .....	495
10 Deductions .....	520
11 Tax Credits .....	629
12 Child Support and Family Scheme .....	642
13 Depreciation .....	692
14 Penalties, Interest and Offences .....	744
15 Resident Withholding Tax .....	791
16 Companies .....	817
17 Imputation .....	884
18 Company Tax Losses .....	928
19 Qualifying Companies & Look-through Companies .....	939
20 Consolidated Companies & Amalgamation of Companies .....	963
21 Fringe Benefit Tax .....	987
22 Provisional Tax .....	1,035
23 Partnerships .....	1,069
24 Special Companies and Associations .....	1,095
25 Trusts .....	1,138
26 International Tax .....	1,188
27 Farming, Fishing and Aquaculture .....	1,248
28 Forestry and Mining .....	1,305
29 Savings Investment, KiwiSaver and Superannuation .....	1,332
30 Duty .....	1,370
31 Accident Compensation .....	1,384

	Page
32 Goods and Services Tax .....	1,403
33 Tax Avoidance .....	1,520
34 E-commerce .....	1,555
<b>Dates</b>	
Tax Calendar .....	1,565
Provisional tax and terminal tax dates .....	1,578
Parliamentary sitting dates .....	1,583
<b>Rates</b>	
Basic rates of tax for individuals .....	1,584
Family scheme tax credits .....	1,584
Credits .....	1,586
Companies and investment entities .....	1,586
Trustees .....	1,587
Maori authorities .....	1,587
Goods and services tax .....	1,587
Non-resident withholding tax .....	1,588
Resident withholding tax .....	1,588
Employer's superannuation contribution tax .....	1,589
Tax rates for schedular payments .....	1,589
Tax rates for attributed fringe benefits .....	1,595
Fringe benefit tax prescribed rate of interest .....	1,595
Use of money interest rates .....	1,595
Motor vehicle mileage rates .....	1,595
PIE tax rates .....	1,596
<b>Indexes</b>	
Case Table .....	1,597
Section Finding List .....	1,619
Index .....	1,651

## HIGHLIGHTS

### ¶1 2015 — The year at a glance

#### Legislation

##### *Taxation (KiwiSaver HomeStart and Remedial Matters) Act 2015*

The Taxation (KiwiSaver HomeStart and Remedial Matters) Act 2015 (No 40 of 2015) was introduced to Parliament on 1 December 2014 and received the Royal assent on 31 March 2015. The Act amended the KiwiSaver Act 2006 to allow KiwiSaver members to withdraw their member tax credits when purchasing their first home. See ¶29-200 and ¶29-260.

##### *Taxation (Social Housing Reform) Act 2015*

The Taxation (Social Housing Reform) Act 2015 (No 51 of 2015) was introduced as part of the Budget 2015 legislation on 21 May 2015 and received the Royal assent on 27 May 2015. The Act ensures that payments under reimbursement agreements and tailored agreements with social housing providers are GST-exempt to the extent that they relate to the provision of accommodation in social housing. See ¶32-023.

##### *KiwiSaver Budget Measures Act 2015*

The KiwiSaver Budget Measures Act 2015 (No 55 of 2015) was introduced as part of the Budget 2015 legislation on 21 May 2015 and received the Royal assent on 27 May 2015. The Act removes the KiwiSaver \$1,000 kick-start payment. See ¶29-200 and ¶29-260.

##### *Land Transfer Amendment Act 2015 and Tax Administration Amendment Act 2015*

The Land Transfer Amendment Act 2015 (No 82 of 2015) and the Tax Administration Amendment Act 2015 (No 83 of 2015) were introduced to Parliament as the Taxation (Land Information and Offshore Persons Information) Bill on 22 June 2015 and received the Royal assent on 22 September 2015. The amendments require a tax statement to be provided by people buying and selling land as part of the conveyancing processes under the Land Transfer Act 1952. In most cases an Inland Revenue (IR) number will have to be provided as part of the tax statement. An exception exists for New Zealand individuals transferring their main home. Offshore persons will have to have a New Zealand bank account before obtaining an IR number. The aim is to improve the enforcement of non-residents' tax obligations. The amendments generally come into force on 1 October 2015. However, the amendments to the Land Transfer Act requiring a tax statement will not apply to contracts for the transfer of land entered into before 1 October 2015, providing the transfer is registered on or before 1 April 2016. See ¶7-018.

##### *Taxation (Bright-line Test for Residential Land) Act 2015*

Following consultation on an issues paper, entitled "Bright-line test for sales of residential property", released in June 2015, the Taxation (Bright-line Test for Residential Land) Act 2015 (No 111 of 2015) was introduced to Parliament on 24 August 2015 and received the Royal assent on 16 November 2015. The Act introduces a new objective "bright-line" land sale test for residential land to improve compliance with the current land sale rules. The test requires income tax to be paid on gains from the disposal of certain residential property acquired and disposed of within two years, with the exception of the main family home. The purpose of the bright-line test is to supplement the purpose or intention test. The bright-line test came into force on 1 October 2015. It only applies to a person's disposal of land if the person acquires their estate or interest in the land on or after 1 October 2015. Where there is a standard acquisition of land, the date a person acquires their estate or interest will generally be