



1 April 2007 to 31 March 2008

For most overseas income you can choose to convert the income by using either:

- the actual rate for the day for each transaction (including closing market value).  
For the actual rate we accept the mid-month rate as equivalent to an actual rate for transactions occurring in that month, or
- the average rate for the 12 months

You must apply the chosen conversion method to all interests for which you use that Foreign Investment Fund or Controlled Foreign Company calculation method in the income year and each later income year.

If the gross income was directly credited to your New Zealand bank account you can show the converted details in your return. However, if any deductions have been made like overseas tax paid or the income is transferred at a later date, then you need to use the conversion rates below.

## If you choose the actual rate for the day

Use either:

- the actual rate for the day – you will need to contact one of New Zealand’s major trading banks for the day’s rate, or
- the mid-month rate as equivalent to the actual rate in the “mid-month” row.

You can use the mid-month rate where you have the foreign income amount for each month. If you only have an annual figure then use the 12 month average rate.

## If you choose the average rate for the 12 months

Use the figures shown in the “12 month average” row.

2007	Table	Australia	European Community	United Kingdom	USA	Canada	Hong Kong	Japan
April	Mid-month	0.8857	0.5444	0.3719	0.7381	0.8390	5.7646	88.1194
	12 month average	0.8609	0.5145	0.3482	0.6649	0.7588	5.1753	77.9984
May	Mid-month	0.8860	0.5444	0.3728	0.7377	0.8158	5.7605	88.7226
	12 month average	0.8671	0.5194	0.3516	0.6740	0.7687	5.2493	79.6473
June	Mid-month	0.8975	0.5636	0.3810	0.7505	0.8012	5.8642	92.2068
	12 month average	0.8716	0.5252	0.3553	0.6847	0.7778	5.3360	81.3760
July	Mid-month	0.9029	0.5702	0.3868	0.7867	0.8243	6.1496	95.8622
	12 month average	0.8782	0.5320	0.3594	0.6987	0.7883	5.4471	83.3751
August	Mid-month	0.8712	0.5368	0.3640	0.7274	0.7759	5.6880	85.5847
	12 month average	0.8819	0.5356	0.3620	0.7069	0.7940	5.5141	84.4033
September	Mid-month	0.8466	0.5133	0.3553	0.7131	0.7344	5.4513	82.1812
	12 month average	0.8795	0.5351	0.3623	0.7113	0.7937	5.5401	84.7833
October	Mid-month	0.8582	0.5471	0.3810	0.7965	0.7531	6.0155	91.1505
	12 month average	0.8780	0.5369	0.3646	0.7228	0.7942	5.6149	85.8237
November	Mid-month	0.8489	0.5207	0.3714	0.7640	0.7355	5.9481	85.1322
	12 month average	0.8770	0.5374	0.3665	0.7316	0.7930	5.6829	86.4548
December	Mid-month	0.8880	0.5302	0.3791	0.7653	0.7762	5.9582	86.5354
	12 month average	0.8776	0.5379	0.3688	0.7379	0.7913	5.7333	86.9062

  

2008	Table	Australia	European Community	United Kingdom	USA	Canada	Hong Kong	Japan
January	Mid-month	0.8788	0.5296	0.4025	0.7882	0.8032	6.1483	85.2042
	12 month average	0.8774	0.5376	0.3730	0.7460	0.7910	5.7972	87.0860
February	Mid-month	0.8746	0.5394	0.4008	0.7898	0.7874	6.1576	85.1709
	12 month average	0.8764	0.5385	0.3769	0.7540	0.7881	5.8583	87.1987
March	Mid-month	0.8679	0.5193	0.4031	0.8139	0.8056	6.3299	80.4491
	12 month average	0.8755	0.5382	0.3808	0.7643	0.7876	5.9363	87.1932

## How to convert to New Zealand currency

For the countries shown in this table, divide the overseas income by the appropriate rate for the month.

Examples:

1. Using the actual rate for the month under the mid-month rates, the New Zealand equivalent of an Australian interest payment of \$85 paid in July 2007 is  $\$85 \div 0.9029 = \$94.14$
2. Using the 12 month average rates, the New Zealand equivalent of an UK honorarium of £500 for the year ended 31 March 2008 is  $\pounds 500 \div 0.3808 = \$1,313.03$