



20 July 2020

# **Independent Review of the Process for Introducing the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill**

**Parliamentary Counsel Office  
Inland Revenue Department**

# Contents

1. Background .....	3
2. Scope and purpose of the Review .....	3
3. Out of scope.....	3
4. Approach.....	4
5. Limitations and acknowledgements.....	4
6. How the error occurred.....	4
7. Lessons learned and changes made as a result of this incident.....	6
8. Recommendations for additional improvements .....	7
9. Other matters and final comments .....	8
<b>Appendices</b>	
Appendix 1 - Terms of Reference .....	9
Appendix 2 - Inland Revenue Bills - Process .....	11
Appendix 3 - Relevant Emails.....	11

# This report provides the Parliamentary Counsel Office and the Inland Revenue Department with an independent assessment of the processes surrounding the introduction of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill 2020.

## 1. Background

The Parliamentary Counsel Office (PCO) is New Zealand's law drafting office. It is responsible for:

- drafting New Zealand Government Bills (except taxation Bills) and Legislative Instruments; and
- publishing all New Zealand Bills, Acts, and Legislative Instruments, both in hard copy and online on the New Zealand Legislation website.

PCO is a separate statutory office established by the Legislation Act 2012. PCO is under the control of the Attorney-General. The Inland Revenue Department (Inland Revenue) is responsible for drafting taxation Bills. There are agreed processes between PCO and Inland Revenue covering how Inland Revenue provides PCO with draft taxation Bills.

On 29 April, the Government decided that the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill (the Bill) should be introduced into Parliament the next day, Thursday 30th April.

On Thursday 30 April, the wrong version of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill was supplied to the House and it was introduced and passed through all stages under urgency that day. The version of the Bill provided to the House contained clauses that established the business loan scheme, which was intended by the Government to be contained in a later Bill.

The Chief Parliamentary Counsel and the Commissioner for Inland Revenue have jointly commissioned this independent review to establish what went wrong and to identify what improvements can and should be made to prevent a similar occurrence.

## 2. Scope and purpose of the Review

The scope of this Review was to identify what went wrong and to make recommendations for improvements to practice, systems and processes that would avoid a similar incident in the future.

## 3. Out of scope

This Review does not make any findings nor make any comment in relation to the performance, conduct or competence of any individual. Further, the Review does not make any assessment or comment on any matter relating to the substance of the Bill.

## 4. Approach

In order to carry out the Review we:

- Examined all relevant material relating to the error provided to us by PCO and Inland Revenue
- Reviewed all policies, procedures, systems and processes relevant to the introduction and the drafting of the Bill
- Examined relevant correspondence and other communications between PCO and Inland Revenue relating to the Bill, its drafting, finalisation and introduction to the Parliament
- Considered other relevant matters.

## 5. Limitations and acknowledgements

This Review is based on an analysis of the material supplied to the Reviewer supplemented by the discussions with key people from PCO and Inland Revenue. All those we have spoken to have been open and constructive in considering how to prevent a similar error from occurring in the future.

This was not a substantive review of the detailed policies, systems and procedures and is limited to the specific matters which gave rise to the error.

## 6. How the error occurred

### 6.1. The usual process for Inland Revenue Bills

The practice under which Inland Revenue Bills are drafted and introduced up to 5 May 2020 is set out in Appendix 2<sup>1</sup>. This was the process that Inland Revenue drafters understood should be used at the time the error occurred.

The relevant steps for the purposes of this Review are:

The Inland Revenue Lead Legislative Counsel sends an email to PCO Publications requesting:

- promotion of Bill to “ready for introduction”
- print of paper copies for the House
- delivery of paper copies to the Table office
- print of paper copies for Inland Revenue
- provide a Bill number and generate a PDF of introduction copy

The PCO Publications Team act on this email by drawing the latest version of the Bill from the drafting system they share with Inland Revenue. Significantly, at the time of the error, this process differed from the process followed by PCO drafters. PCO drafters use PCO’s drafting system to promote to “ready for introduction” the version of the Bill they want published. This is the version that the Publications Team then perform the necessary tasks on to prepare the Bill for introduction.

At the time, Inland Revenue’s process was to send an email request to the Publications Team asking for their Bill to be promoted by the Publications Team to the “ready for introduction” stage. The process would then be for the Publications Team to take the latest version of the Bill from the drafting system and prepare this version for introduction.

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<sup>1</sup> Note this was the process used by Inland Revenue as at 5 May 2020. Subsequently changes have been made to the process.

## 6.2. What went wrong

The business loan scheme was initially intended to be added to the Bill following its introduction at the Committee of the Whole House stage through the use of a supplementary order paper (SOP). Cabinet subsequently gave the Cabinet Economic Development Committee the power to agree to establish the business loan scheme through the Bill.

A review of relevant emails and the timeline of events across the 28<sup>th</sup> and 29<sup>th</sup> of May shows there was ongoing uncertainty about whether the scheme would be included in the Bill or not.<sup>2</sup> Two versions of the Bill had been drafted, one with the scheme in it and one without it.

Internal emails within Inland Revenue and with the Minister for Revenue's Office were not copied to PCO.

At 12.50pm an internal Inland Revenue email from the policy lead went to relevant Inland Revenue drafting staff confirming that the business loan scheme would not be proceeding in the Bill and instructions were given to ask PCO to prepare a Bill for introduction along with other material.<sup>3</sup>

At 6pm on Wednesday 29 April, PCO received an email request from Inland Revenue to prepare and print the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill ready for introduction on Thursday. In contrast to various Inland Revenue internal emails which reference in capital letters that the business loan scheme was not to be included, other than a reference in the subject line to the version of the Bill Inland Revenue wanted published and prepared for introduction the next day, no other reference was made in the email to draw to the attention of the Publishing Team which version of the Bill was to be published.

Compounding the issue was the fact that the version of the Bill Inland Revenue's email referred to was not the latest version in the PCO drafting system. We note that PCO's drafting manual requires PCO drafters to save the copy for introduction as the latest version of a bill and then promote that version for introduction. At the time of the incident, this was not required practice for Inland Revenue drafters. We note that it is now.

Other emails disclose that after instructing PCO to prepare the Bill for introduction, Inland Revenue sent an email titled "Updates for the House Pack - COVID-19 Bill (April 2020)" which included a PDF of the correct version of the Bill. This email was not copied to PCO.

Shortly after receiving the request on Wednesday evening, PCO took the latest version (version 2.2) of the Bill from the drafting system which it shares with Inland Revenue and prepared the introduction version. On Thursday morning the Bill was printed and delivered to the Office of the Clerk.

The Bill was introduced and passed into law the same day (30 April 2020). While the Bill was passing through all of its stages in the House, it became apparent that the Bill being passed included provisions establishing the business loan scheme.

While copies of the Bill (the incorrect version) were stored in the shared drafting system (LENZ) and could be viewed by Inland Revenue and PCO staff who had access to LENZ, the error was not picked up.

## 6.3. The underlying risks and causes of the error

There were a number of factors in play that contributed to the error and contributed to the error not being discovered before the passage of the Bill into law. These included:

- The context of COVID-19 and the fact that the Bill was passed through all of its stages under urgency

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<sup>2</sup> Relevant emails are attached as Appendix 3.

<sup>3</sup> See Appendix 3.

- There was no select committee or SOP stage where the error might have been picked up
- That at the time PCO and Inland Revenue each used different processes for requesting the introduction of bills for publication
- That, aside from the reference to the version of the Bill in the subject line of the email from Inland Revenue to PCO, there was no other overt signalling to PCO's Publications Team that Inland Revenue wanted an earlier version of the Bill to be published and prepared for introduction.

While the underlying root cause of the error stems from the different processes being then used by PCO and Inland Revenue respectively to promote Bills for introduction, we also note that the risks inherent with the pace at which people were working, the COVID-19 context and the fact that two versions of the Bill were in circulation within Inland Revenue, do not appear to have been specifically identified as creating more risk than normal and consequently no mitigation actions were identified.

As already noted, while the body of internal Inland Revenue emails clearly identified that the Bill would not contain the scheme, in our view the email request sent to PCO did not adequately identify that the version of the Bill it was asking to be published was an earlier version of the Bill and/or that it was the version without the business loan scheme in it.

We note that the subject line of the email from Inland Revenue to the PCO Publications Team did contain reference to the version of the Bill that Inland Revenue wanted published (v1.40.1.3), but this was not picked up by PCO, both initially and again when a final check was undertaken, as part of the usual practice within PCO.

Following normal PCO practice, the latest version of the Bill (containing the business loan scheme provisions) was promoted within PCO's drafting system and prepared for introduction.

Usual processes were then used to provide the Bill to the Clerk of the House and the Bill passed all its stages on 30 April 2020, following which it was discovered the business loan scheme provisions had been inadvertently included.

## **7. Lessons learned and changes made as a result of this incident**

We understand that current PCO practice is as follows:

- PCO drafters promote the introduction version of the Bill they want published using the PCO drafting and publishing system.
- They then request introduction copies using the PCO workflow system which requires them to request introduction copies and provide a link to the version which the PCO system maintains as the current version of the Bill.

This process removes the risk of the Publications Team inadvertently promoting a different version of a bill or SOP.

Following the passage of the wrong version of the Bill, Inland Revenue and PCO promptly discussed what immediate changes might be agreed in order to prevent a similar mistake from occurring.

Inland Revenue agreed and implemented changes which mean this particular error could not now occur. In particular, Inland Revenue now promotes as "ready for introduction" the highest numbered version of a Bill in the drafting system. Inland Revenue subsequently agreed to extend this practice to include SOPs.

In our view, these changes are logical and sensible responses to the incident. They were agreed quickly and close the possibility of the Publications Team inadvertently selecting the wrong version of a Bill for introduction in the future.

We would note that to date PCO and Inland Revenue's systems have worked without this particular issue arising, notwithstanding the different practice used by each agency. We also note that Bills are frequently introduced and passed under urgency. We understand that checks are undertaken to ensure that the correct version of Bills is being taken from the drafting system for introduction. As noted, while a check was carried out in this instance it did not pick up that the version that Inland Revenue wanted to be promoted was not the latest version in the drafting system. We believe the fact that two people separately failed to note the version reference in the subject line suggests that noting the version of the Bill in the subject line only, was not an effective way to alert PCO Publications to the version of the Bill Inland Revenue were requesting be promoted for publication.

A request to promote a version of a Bill that is not the latest version is not normal practice. Given the overall context and the circumstances surrounding this Bill, we consider it would have been more prudent for Inland Revenue to have taken a more risk-based approach. This might have resulted in Inland Revenue's drafting team more directly signalling to PCO that the request was non-standard and that a different version of the Bill was being requested for publication from the drafting system than would normally be the case. We note that internal Inland Revenue emails did signal this difference in the body of the emails and that their staff were accordingly well aware of what version was to be introduced.

## **8. Recommendations for additional improvements**

As noted above, while we consider that the immediate changes agreed to by Inland Revenue and PCO are proper and sufficient to prevent an error of this specific nature from occurring again, we make the following recommendations for additional improvements.

### **Recommendation 1**

We recommend that Inland Revenue and PCO work together to identify any other differences in their practice and processes that may have the potential to create other risks. We further recommend that, in future, any requests that differ from agreed processes or standards of practice be much more directly flagged as such to avoid any possibility of oversight or confusion about what is being requested.

### **Recommendation 2**

Taking a more holistic system perspective, like other parts of the system of government, weakness is inherent where there is no clear "owner" responsible for the operation of the system end to end.

In our view, this ownership does not appear to be as well articulated as it could be for the system that delivers drafting of New Zealand Government Bills and Legislative Instruments.

We recommend that the PCO be explicitly assigned responsibility for oversight and regulation of the legislative drafting system for New Zealand Government Bills and Legislative Instruments.

As the regulator of the system they should hold responsibility and accountability for maintaining the system processes, policies, rules and workflow guidance that support effective delivery of this outcome. Like all good regulators, they should carry out their role in partnership with all operators of the system, consulting where appropriate.

### **Recommendation 3**

While we understand that current practice reflects this approach, we recommend that these respective roles and accountabilities be made explicit in the Memorandum of Understanding between Inland Revenue and PCO.

If the current split in drafting bills is maintained between Inland Revenue and PCO, this single point of accountability will ensure a clear focus on an end to end system accountability is achieved and maintained.

#### **Recommendation 4**

We recommend that there should be a standard process for preparing a bill for introduction and this be adhered to regardless of whether the bill is drafted by PCO or Inland Revenue.

#### **Recommendation 5**

We would also recommend that Inland Revenue and PCO investigate further integrating PCO and Inland Revenue processes to avoid a similar incident in the future.

We understand that since the original MOU between the agencies was agreed, technology has advanced to the extent that this may now allow greater process integration between IR and PCO to occur (e.g. by Inland Revenue drafters using the PCO workflow system). This would obviate the need for emails to be sent from Inland Revenue to PCO Publications asking for bills to be promoted for introduction.

### **9. Other matters and final comments**

We are aware of the approach and legislation drafting practices of the United Kingdom, Australia and Canada. We understand that Canada operates a drafting system where the Office of Parliamentary Counsel drafters are “posted” to the revenue agency.

We were advised that New Zealand and Canada are the only two major drafting offices in the Commonwealth that do not draft all principal legislation in the main parliamentary drafting office. New Zealand is the only jurisdiction of the four identified in which taxation Bills are drafted separately from other legislation.

While out of scope of this Review, we would simply note that the inherent risks associated with split drafting responsibilities do not appear to exist in comparable jurisdictions.

Finally, we would note that the approach to responding to this incident was from our perspective constructive, collaborative, future-focussed and changes agreed to at pace. We had no sense that either agency was looking to identify fault with the other, instead focussing on taking joint responsibility and taking quick action to tighten up processes to remove the specific risks that led to this error.

We also note that the Chief Parliamentary Counsel has apologised to the Leader of the House for the error that occurred.



# Appendix 1 - Terms of Reference

## Terms of Reference

### Independent Review of the process surrounding the introduction of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill

#### Purpose

This review will examine the process and procedures surrounding the introduction into Parliament on 30 April 2020 of an incorrect version of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill (the Bill). The purpose of the review is to assess and provide independent advice to the Chief Parliamentary Counsel and the Commissioner of Inland Revenue.

#### Background and Context

The Parliamentary Counsel Office (PCO) is New Zealand's law drafting office. It is responsible for drafting New Zealand Government Bills (except taxation Bills) and Legislative Instruments, publishing all New Zealand Bills, Acts, and Legislative Instruments, both in hard copy and online on the New Zealand Legislation website. The PCO is a separate statutory office created by the Legislation Act 2012. The PCO is under the control of the Attorney-General.

On 29 April the Government decided that the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill (the Bill) should be introduced into Parliament the next day, Thursday 30th April. Inland Revenue is responsible for drafting taxation Bills. There are agreed processes between PCO and Inland Revenue for providing PCO with draft taxation bills.

The Bill was introduced and passed under urgency the same day. While the Bill was passing through the House under urgency it became apparent that the Bill made provision for the small business loan scheme which the Government had not intended to give effect to in this Bill, due to a different version of the Bill having been provided to the Office of the Clerk by PCO. The Chief Parliamentary Counsel has apologised for this.

The Chief Parliamentary Counsel and Commissioner for Inland Revenue now want an independent review to identify what went wrong in this instance and to make recommendations for improvements to practice, systems and processes that would avoid a similar incident in the future.

#### Scope of the review

The Review will consider PCO and Inland Revenue's systems for the publishing and introduction of this bill. The intent of the review is to provide advice and make recommendations so that Parliament can have confidence in the processes by which

PCO works with Inland Revenue to draft and submit to Parliament government taxation bills, particularly under urgency. In doing this the reviewer will investigate, make findings and report on:

- How the error occurred
- Lessons learned and changes implemented by PCO and as a result of this incident
- Recommendations for any other improvements that would avoid a similar incident in the future
- Any other matter necessary to provide a complete report on the above.

## **Approach**

In order to carry out the Review the Reviewer will:

- Examine all relevant material relating to the error
- Identify policies, procedures, systems and processes relevant to the introduction (and, if relevant, the drafting) of the Bill
- Examine relevant correspondence and other communications between PCO and Inland Revenue relating to the Bill, its drafting, finalisation and introduction to Parliament.

## **Out of scope of the review**

The reviewer will not make any findings nor make any comment on the performance, conduct or competence of any individual.

The Reviewer will not make an assessment of or comment on any matter relating to the substance of the Bill.

## **Deliverable and timing**

The Reviewer will produce a draft report with draft findings and recommendations by 6 June 2020.

A draft report will be provided to the Chief Parliamentary Counsel and Commissioner of Inland Revenue.

Approved by

Fiona Leonard  
Chief Parliamentary Counsel  
Date: 4 May 2020

## Appendix 2 - Inland Revenue Bills - Process

Inland Revenue Bills – a description of the process up to 5 May 2020 for preparing, printing, tabling (etc) a bill going through (i) the normal select committee process and (ii) under urgency.

Stages	People responsible	Comments	Dates for normal process	Under urgency
Bill planning	Policy Lead (Legislative Drafting & Business), Policy Advisors, work programme	Early appointment of Bill manager, Bill coordinator	T - 100	
Timeline	Policy Lead (Legislative Drafting & Business), Bill manager, Bill coordinator	Indicative dates at this stage	T - 90	
Finalisation of policy and Cabinet signoff	Policy Advisors and Policy Leads	Ensure that policy settled and reporting complete	T - 90	
Drafting instructions	Policy Lead (Legislative Drafting & Business) and Legislative Counsel	<ul style="list-style-type: none"> <li>Identifies work, sorts instructions by category (e.g. new subpart, amend existing, remedial etc)</li> <li>assigns work to legislative counsel</li> <li>considers and resolves scope issues (standing orders)</li> </ul>	T - 80	
Finalisation of timeline and close off	Policy Lead (Legislative Drafting & Business), Legislative Counsel, with Bill manager and Bill coordinator	Set dates on basis of known information; Bill closed off	T - 80	
Bill drafted and compiled	Legislative Counsel, Bill coordinator	Bill items, clause-by-clause, Explanatory Note Clause numbering and proofing checks	T - 20	
Proofing	First stage		T - 10	

<b>Stages</b>	<b>People responsible</b>	<b>Comments</b>	<b>Dates for normal process</b>	<b>Under urgency</b>
Bill check	Policy Advisors and their Policy Leads, Bill manager  Bill coordinator  Policy Lead (Legislative Drafting & Business) with Bill manager	<ul style="list-style-type: none"> <li>• Sign off drafting</li> <li>• Check Explanatory Note</li> <li>• Check scope issues</li> </ul> (No preference changes at or beyond this stage)	T - 5	
Disclosure statements	Policy Lead (Legislative Drafting & Business) with Bill manager	Draft the Inland Revenue disclosure statement	T - 5	
RIA Pack	Policy Communications Team, Bill coordinator, Policy Advisors	Prepare RIA pack for Bills office and RIAs for publishing on tax policy and Treasury website on introduction		
Cabinet signoff for late items	Bill manager		T - 5	
Ministry of Justice for BORA review	Policy Lead (Legislative Drafting & Business)	Checks that draft for review includes only items with Cabinet signoff – if late items to be added, timeline adjusted, and introduction must be delayed. Requests review	T	
Commentary	Bill manager, Bill coordinator, and Policy Advisors	Ensure that all commentary items provided to Policy Communications Team	T	
LEG paper plus Bill – Min/LEG/CAB	Policy Lead (Legislative Drafting & Business)	Paper-based on Explanatory Note and Cabinet signoffs	T +15	
Proofing	Second stage	Final numbering check	T + 20	
Bill agreed for introduction	Lead Legislative Counsel, Policy Lead (Legislative Drafting & Business), Bill manager		T + 30	
Report to MoR	Policy Lead (Legislative Drafting & Business), Bill manager			

<b>Stages</b>	<b>People responsible</b>	<b>Comments</b>	<b>Dates for normal process</b>	<b>Under urgency</b>
<i>Bill preparation and introduction</i>				
Request for publication	Lead Legislative Counsel	<p>Sends email to PCO Publications requesting:</p> <ul style="list-style-type: none"> <li>• (promotion of Bill to “ready for introduction”);</li> <li>• print of paper copies for House</li> <li>• delivery of paper copies to Table office</li> <li>• print of paper copies for Inland Revenue;</li> <li>• Bill number, PDF of introduction copy</li> </ul>		
Bill printing and preparation for publication	PCO Publications Unit	<ul style="list-style-type: none"> <li>• acknowledges email;</li> <li>• provides Bill number;</li> <li>• prepares and creates PDF of Bill in form for introduction;</li> <li>• prints House supply of paper copies;</li> <li>• delivers paper copies to Table Office;</li> <li>• advises Inland Revenue that paper copies available;</li> </ul>		
Supporting documents	Policy Communications Team	<ul style="list-style-type: none"> <li>• prepares first reading speech</li> <li>• drafts media statement</li> <li>• sends Inland Revenue disclosure statement to PCO for website</li> <li>• advises web address for regulatory impact assessment and Bill commentary</li> </ul>		
	Legislative Drafting & Business Team	<ul style="list-style-type: none"> <li>• delivers paper copies of RIA Pack (disclosure statement and RIAs) and Bill commentary to Bills Office</li> </ul>		
	PCO Publications Unit	<ul style="list-style-type: none"> <li>• prepares Inland Revenue disclosure statement for display</li> </ul>		
	Bill coordinator	<ul style="list-style-type: none"> <li>• prepares and finalises introduction House Pack (Minister’s folder)</li> <li>• includes PDF of Bill for introduction received from PCO</li> <li>• sends electronic copy to Minister’s Office</li> </ul>		

Stages	People responsible	Comments	Dates for normal process	Under urgency
Introduction	Leader of House	<ul style="list-style-type: none"> <li>gives notice to Clerk of the House</li> </ul>		Inclusion in urgency motion
	Policy Communications Team	<ul style="list-style-type: none"> <li>publishes RIAs and Bill commentary when introduction confirmed (Parliament page)</li> <li>adds Bill page with current status, timetable, and links to publications and news items</li> <li>publishes news item and sends to mailing list once media statement received and Bill available (normally within an hour of introduction)</li> </ul>		May happen very quickly – alternative news item required
<i>Consideration of Bill</i>				
First reading	MoR	<p>moves that:</p> <ul style="list-style-type: none"> <li>Bill be referred to FEC;</li> <li>any instructions be given (e.g. time limit for report of less than 6 months)</li> </ul>	<p>Earliest day for 1<sup>st</sup> reading:</p> <ul style="list-style-type: none"> <li>following Tuesday if introduced on sitting day; or</li> <li>3<sup>rd</sup> sitting day following</li> </ul>	Inclusion in urgency motion
Select Committee (FEC) stage	FEC	<ul style="list-style-type: none"> <li>calls for submissions</li> <li>hears submissions</li> <li>considers officials' report (OR)</li> <li>considers draft RT version</li> <li>recommends amendments</li> <li>reports to House on Bill</li> </ul>		Inclusion in urgency motion
	Legislative Drafting & Business Team	<ul style="list-style-type: none"> <li>prepares draft RT version for FEC to consider</li> </ul>		
Select Committee (FEC) stage - SOPs	Legislative Drafting & Business Team, Policy Advisors, Policy Leads, Policy Communications Team	<ul style="list-style-type: none"> <li>mini process – same as Bill introduction</li> <li>supplementary or amended disclosure statement, RIAs, etc</li> <li>physical copies delivered to Bills Office</li> </ul>		
Reporting	FEC	<ul style="list-style-type: none"> <li>prepares report to House</li> </ul>	6 months from 1 <sup>st</sup> reading	Instructions from House Inclusion in urgency motion

<b>Stages</b>	<b>People responsible</b>	<b>Comments</b>	<b>Dates for normal process</b>	<b>Under urgency</b>
	PCO Publications Unit	<ul style="list-style-type: none"> <li>prepares and prints RT version of Bill for consideration by House</li> </ul>		
Second reading	Policy Communications Team	<ul style="list-style-type: none"> <li>Second and Third reading speeches</li> </ul>		
	Bill coordinator	<ul style="list-style-type: none"> <li>Prepares and finalises House Pack (Minister's folder) for remainder of Parliamentary process</li> </ul>		
	House	<ul style="list-style-type: none"> <li>votes on Bill and recommended amendments</li> </ul>		
	PCO Publications Unit	<ul style="list-style-type: none"> <li>prepares Bill including amendments accepted by House</li> </ul>		Inclusion in urgency motion
Committee of the whole House stage	Committee of whole House	<ul style="list-style-type: none"> <li>votes on Bill and amendments proposed by MoR, and by Opposition, usually in supplementary order paper (SOP)</li> <li>reports to House</li> </ul>	Time limits for Opposition amendments	Business Committee; Inclusion in urgency motion
	PCO Publications Unit	<ul style="list-style-type: none"> <li>prepares Bill including amendments accepted by House</li> </ul>		
Third reading	House	<ul style="list-style-type: none"> <li>considers Bill reported back</li> </ul> <p>(No amendments allowed except by leave of the House)</p>		
	PCO Publications Unit	<ul style="list-style-type: none"> <li>prepares Bill for Royal assent</li> </ul>		
Royal assent	Governor-General or Administrator	Signs assent copy of Bill		

## Appendix 3 - Relevant emails

**Email 1 – Internal email within IRD**

**From:** [REDACTED]

**Sent:** Tuesday, 28 April 2020 3:01 PM

**To:** [REDACTED]

**Subject:** Updated draft business loan scheme

[UNCLASSIFIED]

Hi all

Here is an updated draft. There are some outstanding questions, highlighted in the draft.

Rgds

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**Email 2 – Internal email within IRD**

**From:** [REDACTED]

**Sent:** Tuesday, 28 April 2020 4:54 PM

**To:** [REDACTED]

**Cc:** [REDACTED]

**Subject:** COVID-Response (TORUM) bill - v1.37

I enclose a new version of the bill that I thought I had already sent several hours ago. I have tried to get the new requirements for section IP 4 to fit with their context.

Since the bill content is changing, various consequential changes will be required to the rest of the bill. I will also be trying to fix the format of the new subprovision in the clause.

Regards

[REDACTED]

**Email 3 – Internal email within IRD**

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 9:34 AM

**To:** [REDACTED]

**Subject:** latest attached

[UNCLASSIFIED]

Hi [REDACTED]

We still have one unknown in the draft, marked xx in the definition proposed by Treasury which I presume is the one we want.

Otherwise the Bill now needs to be renumbered because of all the alterations, the clause by clause updated and the explanatory note likewise. Then proofreading. So any further changes must really be limited to absolute "must haves".

But it would be nice to get the right date for the scheme.

Thanks for all your help on this, it is much appreciated.

Rgds  
[REDACTED]

**Email 4 – Internal email within IRD**

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 12:19 PM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder  
**Importance:** High

**HOLD THE PRESS**

**Don't send bill pack at 12.30. We have an extension. We have to wait till DEV finishes at 12.30. Loan scheme may not be going in to Bill.**

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 11:15 AM  
**To:** [REDACTED]

**Subject:** Re: Missions tomorrow for our Bill - documents for the Bill folder

I'm just going into the office now to do a check print, and then I will finalise. You have about 30 mins left for any changes .

Get [Outlook for Android](#)

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**From:** [REDACTED]  
**Sent:** Wednesday, April 29, 2020 10:24:55 AM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

I'll start looking at commentary around 11:15, with the aim to have it finalised by 11:45.

Can then finalise the pack of documents and have them ready to send by midday.

Unless it gets delayed a bit ...

[REDACTED]

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 10:15 AM

**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

I think that makes sense [REDACTED]. Other than 2 versions of the Bill (actually easy) let's assume loan scheme amendments proceeding in Bill, ie one version of other materials. We'll know soon!

[REDACTED]

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 9:59 AM

**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

Can we not duplicate the commentary until everything is finalised as if it were?

Otherwise, it means making edits/formatting changes in two documents and keeping in sync.

Maybe if everyone could finish what needs done by X time, I will finalise and then we can remove the content in the overview and the section?

[REDACTED]

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 9:52 AM

**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

Hey [REDACTED]

Did someone break the good news to you that we have to prepare two versions of the Bill just in case DEV does not approve the loan scheme today.

One will have the loan scheme in and one not along with the associated commentary etc.

I will duplicate the commentary after the PAS meeting.

Cheers

█

**From:** █

**Sent:** Wednesday, 29 April 2020 09:28

**To:** █  
█  
█

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

Hi everyone.

I've created a folder for the House Pack/Minister's Folder - it is under the General channel and is called House Pack - All Stages.

The contents are the same as for the previous Bill, if any changes are required please make them or let me know.

Once your documents are finalised, if you could move them into the folder and rename them with TabXX - at the front. Alternatively, let me know what documents are the final versions and I will move/copy.

Contents at this stage are:

1. Speeches
2. Government press releases (I will add the ones from the announcement, plus any others)
3. Bill as introduced (to add when we have the final version)
4. Bill summary
5. Questions and answers
6. Bill commentary
7. Bill disclosure statement
8. Section 7 report (if applicable)

Thanks!

█

**From:** █

**Sent:** Tuesday, 28 April 2020 11:12 PM

**To:** █  
█  
█

**Subject:** Missions tomorrow for our Bill

Hi all

The Minister's office (█) has asked for a soft copy of speeches, media releases, commentary and other materials (including latest version of Bill) by lunch time tomorrow.

We'll need to finalise the business loan scheme amendments with [REDACTED] first thing in the morning, and allow [REDACTED] to insert in Bill, renumber, and request PCO Publications to publish the introduction version.

[REDACTED] and I will meet at Asteron early afternoon to compile Bill folders for the Minister's office.

Onwards to introduction on Thursday!

[REDACTED]

**Email 5 – Internal email within IRD**

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 12:50 PM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder  
**Importance:** High

Hi

Confirmed that business loan scheme will NOT be going into our Bill being introduced tomorrow.

Therefore please remove all loan scheme references from Bill materials (and obviously the Bill!).

We have an extension of time from Minister's office for getting soft Bill pack over.

Thanks!

[REDACTED]

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 12:19 PM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder  
**Importance:** High

**HOLD THE PRESS**

**Don't send bill pack at 12.30. We have an extension. We have to wait till DEV finishes at 12.30. Loan scheme may not be going in to Bill.**

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 11:15 AM  
**To:** [REDACTED]

[REDACTED]

**Subject:** Re: Missions tomorrow for our Bill - documents for the Bill folder

I'm just going into the office now to do a check print, and then I will finalise. You have about 30 mins left for any changes .

Get [Outlook for Android](#)

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**From:** [REDACTED]  
**Sent:** Wednesday, April 29, 2020 10:24:55 AM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

I'll start looking at commentary around 11:15, with the aim to have it finalised by 11:45.

Can then finalise the pack of documents and have them ready to send by midday.

Unless it gets delayed a bit ...

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 10:15 AM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

I think that makes sense [REDACTED]. Other than 2 versions of the Bill (actually easy) let's assume loan scheme amendments proceeding in Bill, ie one version of other materials. We'll know soon!

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 9:59 AM  
**To:** [REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder



Can we not duplicate the commentary until everything is finalised as if it were?

Otherwise, it means making edits/formatting changes in two documents and keeping in sync.

Maybe if everyone could finish what needs to be done by X time, I will finalise and then we can remove the content in the overview and the section?

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 9:52 AM  
**To:** [REDACTED]  
[REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

Hey [REDACTED]

Did someone break the good news to you that we have to prepare two versions of the Bill just in case DEV does not approve the loan scheme today.

One will have the loan scheme in and one not along with the associated commentary etc.

I will duplicate the commentary after the PAS meeting.

Cheers

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 09:28  
**To:** [REDACTED]  
[REDACTED]

**Subject:** RE: Missions tomorrow for our Bill - documents for the Bill folder

Hi everyone.

I've created a folder for the House Pack/Minister's Folder - it is under the General channel and is called House Pack - All Stages.

The contents are the same as for the previous Bill, if any changes are required please make them or let me know.

Once your documents are finalised, if you could move them into the folder and rename them with TabXX - at the front. Alternatively, let me know what documents are the final versions and I will move/copy.

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  4. Bill summary
  5. Questions and answers
  6. Bill commentary
  7. Bill disclosure statement
  8. Section 7 report (if applicable)

Thanks!

[REDACTED]

From: [REDACTED]  
Sent: Tuesday, 28 April 2020 11:12 PM  
To: [REDACTED]

Subject: Missions tomorrow for our Bill

Hi all

The Minister's office ([REDACTED]) has asked for a soft copy of speeches, media releases, commentary and other materials (including latest version of Bill) by lunch time tomorrow.

We'll need to finalise the business loan scheme amendments with [REDACTED] first thing in the morning, and allow [REDACTED] to insert in Bill, renumber, and request PCO Publications to publish the introduction version.

[REDACTED] and I will meet at Asteron early afternoon to compile Bill folders for the Minister's office.

Onwards to introduction on Thursday!

[REDACTED]

**Email 6 – From IRD to Parliament (IRD cced in)**

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 4:02 PM

**To:** [REDACTED]

**Cc:** [REDACTED]

[REDACTED]

**Subject:** House Pack/Documents for COVID-19 Bill

Apologies for the delay, attached are the individual House Pack documents as they are at the moment for the Bill.

**Notes:**

- I've attached the draft of the Bill we have – the final version will be sent when it is available.
- For printing purposes (if required) there is a single combined version (there are no separator pages between documents).

[REDACTED]

**Email 7 – IRD to PCO asking for the Bill to be published (IRD cced in)**

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 6:01 PM

**To:** [REDACTED]

**Cc:** [REDACTED]

**Subject:** COVID-Response (Taxation and Other Regulatory Urgent Measures) Bill v1.40.1.3

The COVID Response (Taxation and Other Regulatory Urgent Measures) Bill is currently planned for introduction on Thursday. Please arrange for the printing of a House supply for delivery tomorrow and provide us with the bill's number.

I note that there are two links that you will need to insert in the Explanatory Note.

The disclosure statement for the bill should have been sent to you today.

Thanks

Regards

[REDACTED]

**Email 8 – IRD to Parliament**

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 6:47 PM  
**To:** [REDACTED]  
**Subject:** RE: Commencement date for the bill

Hi [REDACTED]

Attached is the latest version which will be printed for introduction tomorrow. (I realise now that only PCO Publications creates the introduction version – there is quite a lot to this legislation gjg!)

This version can be taken as final in content for sharing purposes.

And I now realise that my earlier email had a sucking eggs feel, which I did not intend! So sorry about that.

Thanks

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 11:37 AM  
**To:** [REDACTED]  
**Subject:** RE: Commencement date for the bill

That's fine thanks

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 11:36 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Commencement date for the bill

Sure [REDACTED]. The Bill is currently being renumbered (because of late extra item) and finalised. We can send you a soft copy of the introduction version we are sending to PCO Publications and our Minister's office later this afternoon/early evening. Is that OK with you?

Thanks

[REDACTED]

[REDACTED]  
[REDACTED]

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 10:51 AM  
**To:** [REDACTED]  
**Subject:** RE: Commencement date for the bill

Thanks

Could we have an advance copy today to send to National? It would be in the spirit of the times to do this.

It's a notice of introduction rather than a letter, by the way.

Thanks

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 10:49 AM  
**To:** [REDACTED]  
**Subject:** RE: Commencement date for the bill

Hi [REDACTED]

The introduction version of the Bill will be prepared for printing by PCO Publications this evening and delivered to the Bills Office about 9am tomorrow. The Leader of the House can send a letter to the Office of the Clerk to introduce the Bill in the morning. Copies of the Bill will then be released by the Bills Office.

The Bill could then have its readings in the afternoon when the House sits.

The Minister of Revenue's office will also have a soft copy of the introduction version of the Bill.

Thanks

[REDACTED]

[REDACTED]

**From:** [REDACTED]  
**Sent:** Wednesday, 29 April 2020 9:58 AM  
**To:** [REDACTED]  
**Subject:** RE: Commencement date for the bill

Thanks [REDACTED]

When will the bill be available to give to other parties in the House and to introduce?

█

**From:** █  
**Sent:** Wednesday, 29 April 2020 9:56 AM  
**To:** █  
**Cc:** █  
**Subject:** RE: Commencement date for the bill

Hi █

PCO have contacted me in relation to the non-IRD amendments in the Bill (which they drafted). They have a strong preference for Royal assent on Thursday given the commencement of their provisions, so a rapid assent process would be great if possible.

Thanks

█

█  
█  
█  
█

**From:** █  
**Sent:** Tuesday, 28 April 2020 5:12 PM  
**To:** █  
**Cc:** █  
**Subject:** RE: Commencement date for the bill

Hi █

While operational preference is for commencement ASAP (ie, this Thursday), we could live with this Friday.

Thanks!

█

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█  
█

**From:** █  
**Sent:** Tuesday, 28 April 2020 5:00 PM  
**To:** █  
**Cc:** █  
**Subject:** Commencement date for the bill

Kia ora [REDACTED]

When does the bill have to commence by? We may have to get the Clerk to institute a rapid assent process.

Ngā mihi

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]



**Email 9 – IRD to Parliament (IRD cced in)**

**From:** [REDACTED]

**Sent:** Wednesday, 29 April 2020 6:51 PM

**To:** [REDACTED]

**Cc:** [REDACTED]

[REDACTED]

**Subject:** Updates for the House Pack - COVID-19 Bill (April 2020)

Attached are two updated documents:

- Tab 3 - The version of the Bill that was sent to PCO for finalising and printing for introductions.
- Tab 7 - An updated departmental disclosure statement, this is the version sent to PCO.

[REDACTED]

**Email 10 – Internal email within IRD**

**From:** [REDACTED]

**Sent:** Thursday, 30 April 2020 9:59 AM

**To:** [REDACTED]

**Cc:** [REDACTED]

**Subject:** RE: Bill number + PDF of Bill

Hello [REDACTED]

Thanks for all your work yesterday. The bill number is 240-1. I will ask Publications to send you a PDF.

Kind regards

[REDACTED]

**From:** [REDACTED]

**Sent:** Thursday, 30 April 2020 9:48 AM

**To:** [REDACTED]

**Subject:** Bill number + PDF of Bill

Hi [REDACTED]

Are you able to let me know what the Bill number is?

Also, are you able to provide a PDF of the Bill for introduction – in case it doesn't appear on legislation.govt.nz in a timely manner (like the last Bill)?

Thanks.

[REDACTED]

**Email 11 – PCO to IRD**

**From:** [REDACTED]  
**Sent:** Thursday, 30 April 2020 10:17 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Re: PCO 240-1 COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill - PDF

Hi [REDACTED]

We haven't received the email from OOC telling us to circulate the bill yet. Would it be easier to let you know when it is published and then you could link to the Bill on the legislation website?

[REDACTED]

Sent from my iPhone

On 30/04/2020, at 10:10 AM, [REDACTED] wrote:

I understand the Bill was tabled at 10am [REDACTED].

[REDACTED]

[REDACTED]

**From:** [REDACTED]  
**Sent:** Thursday, 30 April 2020 10:07 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** PCO 240-1 COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill - PDF

Could you please confirm delivery of the bill copies to the Office of the Clerk and provide a PDF of the introduction version to [REDACTED] for publication on the IRD website.

Thanks

[REDACTED]

**Email 12 – IRD to IRD staff (cced in Parliament and Treasury)**

**From:** [REDACTED]  
**Sent:** Thursday, 30 April 2020 4:14 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: Wrong version of the COVID-19 tax bill has been passed by the House  
**Importance:** High

[IN CONFIDENCE]

Hi [REDACTED]

The wrong version of the COVID-19 tax bill has been passed by the House. It contains the Small Business Cashflow Scheme amendments. Royal assent will go ahead tonight for this Bill as it contains a number of urgent measures.

The version of the Bill we supplied to the Minister's office and the version referred to in our request to PCO publications to print for introduction was correct.

Speaking to [REDACTED] now about whether we can rely on the loan scheme amendments in the Bill and therefore if the Government can go ahead and announce this scheme

[REDACTED]

[REDACTED]

**From:** [REDACTED]  
**Sent:** Thursday, 30 April 2020 3:52 PM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Wrong version of the COVID-19 tax bill is on the legislation site  
**Importance:** High

[IN CONFIDENCE]

Hi,

It looks like the wrong version of the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill is published (240-1).

Could this be taken down ASAP and replaced?

It includes the Small business cashflow scheme which was removed at the last moment...

## Email 13 - From PCO to IRD and PCO Publications

[REDACTED]

---

**From:** [REDACTED] From IRD to PCO, cced IRD and PCO Publications  
**Sent:** Thursday, 30 April 2020 10:32 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE: PCO 240-1 COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill - PDF

[IN CONFIDENCE]

Catching up sorry. I now understand the Bill was not tabled at 10am because of a procedural issue. May not happen until House sits today like the last Covid Bill on 25 March.

[REDACTED]

---

**From:** [REDACTED] From PCO to IRD, cced IRD and PCO Publications  
**Sent:** Thursday, 30 April 2020 10:17 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** Re: PCO 240-1 COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill - PDF

Hi [REDACTED]

We haven't received the email from OOC telling us to circulate the bill yet. Would it be easier to let you know when it is published and then you could link to the Bill on the legislation website?

[REDACTED]

Sent from my iPhone

On 30/04/2020, at 10:10 AM, [REDACTED] wrote:

[IN CONFIDENCE]

I understand the Bill was tabled at 10am [REDACTED].

[REDACTED]

**From:** [REDACTED] From IRD to PCO Publications, cced IRD  
**Sent:** Thursday, 30 April 2020 10:07 AM  
**To:** [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** PCO 240-1 COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Bill - PDF

[IN CONFIDENCE]

Could you please confirm delivery of the bill copies to the Office of the Clerk and provide a PDF of the introduction version to [REDACTED] for publication on the IRD website.

Thanks

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

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**Parliamentary Counsel Office Te Tari Tohutohu Paremata**

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