



**Inland Revenue**  
Te Tari Taake

**IR7G**  
March 2017

# Partnership and look-through company (LTC) return guide 2017

Read this guide to help you fill in your IR7 return.

Complete and send us your IR7 return by 7 July 2017,  
unless you have an extension of time to file.



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# Introduction

Read page 4 of your IR7 2015 return for the following information:

- who must file an IR7 return
- filing your IR7 return online
- return due date
- nil returns.

Use this guide to help you complete pages 2-3 of your IR7 2016 return.

For more information on look-through company (LTC) rules, read our *Look-through companies (IR879)* guide.

## How to get our forms and guides

You can view copies of all our forms and guides by going to [www.ird.govt.nz](http://www.ird.govt.nz) and selecting "All Forms and guides" from the right-hand menu, or by entering the shoulder number in the search box. You can also order copies by calling 0800 257 773.

**The information in this guide is based on current tax laws at the time of printing.**

# Questions

## Question 10 Scheduling payments

If the partnership or LTC has received scheduling payments, we'll send you a *Summary of earnings (SOE)*, detailing the payments received and the tax deducted.

From your SOE, copy the total tax deducted into Box 10A and gross payments into Box 10B.

The SOE may not contain all your earnings information. If any details are missing, please include them at Question 10.

If the partnership or LTC is registered for GST, your gross scheduling payments should not include any GST. If they do, show the gross payments at Question 10 and deduct the GST portion at Question 21.

## Question 11 New Zealand interest

Include interest from all New Zealand sources at Question 11.

The interest payer will usually send you an *RWT withholding certificate (IR15)*, or similar statement, showing the gross interest paid and the amount of RWT deducted.

Write the total of all RWT deducted in Box 11A.

Add up all the gross interest amounts (before the deduction of any tax) and write the total in Box 11B.

### Note

If expenses are deductible against the interest income (eg, commission), claim them at Question 21. Read the note about expenses on page 20.

Don't send in any interest statements or IR15 certificates with your return, but keep them in case we ask for them later.

## Interest on broken term deposits

If you've broken a term deposit during the year, you may have to account for "negative interest". This is interest repaid on a term deposit and may reduce the amount of interest to declare in your return.

If the term deposit was broken in full, or it was business related, deduct the negative interest from the gross interest shown on the IR 15 or equivalent statement. Deduct the allowable negative interest component, using the worksheet below, before entering the gross amount at Question 11 of your return. In all other cases, the negative interest is deductible in a future income year when the term deposit matures.

### Worksheet

Copy your gross interest from your RWT on interest form to Box 1.



\$  .

Print any negative interest you've paid in Box 2.



\$  .

Subtract Box 2 from Box 1 and print the answer in Box 3.



\$  .

**Copy this amount to Box 11B of your tax return.**

## Interest paid or charged by Inland Revenue

If we paid you interest, include it in Box 11B for the income year the partnership or LTC received the interest.

If the partnership or LTC paid us interest, include it as a deduction in Box 21 of the return for the income year the interest is paid. Read about expenses on page 20.

## Interest from overseas

If the partnership or LTC received interest from overseas, convert your overseas interest and tax credits to New Zealand dollars and show the amounts at Question 16. Please read the notes about overseas income on pages 12 to 15.

## Income from financial arrangements

If the partnership or LTC was a party to a financial arrangement, such as government stock, local authority stock, mortgage bonds, futures contracts or deferred property settlements, you may have to calculate the income or expenditure from the financial arrangement using a spreading method, rather than on a cash basis. To work out if you must use a spreading method, please read "Financial arrangements" on pages 18 and 19.

If the financial arrangement matures, is sold, remitted or transferred, you must do a "wash-up" calculation, known as a base price adjustment.

Any RWT will be deducted on a cash basis. Show the RWT deducted and any income from the financial arrangement in Boxes 11A and 11B.

## Question 12 New Zealand dividends

Dividends are the part of a company's profits that it passes on to its shareholders. Unit trusts are treated as companies for income tax purposes. Distributions from unit trusts will generally be taxable and are treated as dividends.

Complete Question 12 if you received any New Zealand dividends, including dividends from your local electricity or gas supplier. Don't include a dividend that's a distribution of the trust's capital and is tax free. The company or unit trust that paid you the dividend will send you a dividend statement.

Don't send in any dividend statements with your return, but keep them in case we ask for them later.

### Note

If expenses are deductible against the dividend income (eg, commission), claim them at Question 21. Read the note about expenses on page 20.

## Credits attached to dividends

A New Zealand company or unit trust may attach several types of credits to dividends.

"Imputation credits" are credits for part of the tax the company has already paid on its profits, which means the dividends aren't taxed twice.

"Payment for a foreign dividend" is the credit for tax the company paid on dividends it received from overseas.

RWT is deducted from your dividend to bring the total credits withheld up to 33% of the gross dividend.

## What to show in your return

Your dividend statements show the amount:

- you received (net dividend)
- of any imputation credits
- of any RWT totals or payment for foreign dividends.

Add all these amounts together to work out your total gross dividends and enter this in Box 12B.

Add up all the imputation credits and print the total in Box 12. Add any dividend RWT deducted and any payments for foreign dividends and print the total in Box 12A.

## Shares instead of dividends

If the partnership or LTC received shares instead of dividends, include them as income at Question 12. Write the amount as if you received dividends instead of shares.

## Dividends from overseas

Please read about overseas income on pages 12 to 14 of this guide.

## Question 13 Māori authority distributions

Māori authorities can make various types of distributions.



Fill in Question 13 if you received any taxable Māori authority distributions. The Māori authority that paid you the distribution will send you a Māori authority distribution statement.

### Credits attached to distributions

The Māori authority may attach a credit to the distribution it makes to members. This credit will be classified as a "Māori authority credit". It is **usually** part of the tax the Māori authority has already paid on its profits, which means the distributions aren't taxed twice.

### What to show in your return

Your Māori authority distribution statement shows the amount of:

- the distribution made to you, including what portion is taxable and what portion is non-taxable
- Māori authority credit.

Transfer these amounts, leaving out any non-taxable distributions, to the relevant boxes at Question 13.

#### **Example**

A Māori authority makes a pre-tax profit of \$10,000. It pays tax on this profit of \$1,750 (Māori authority tax rate of 17.5%) and distributes the entire profit to their 10 members. Each member will receive \$825 as a cash distribution and \$175 of Māori authority credits.

Each member of the authority who has to file an IR 7 return would show the following information in Question 13:

Box 13A - \$175

Box 13B - \$1,000 (made up of \$825 + \$175)

### Non-taxable distribution

You don't need to include in the IR7 return any other distributions received from a Māori authority that aren't taxable in the hands of a Māori authority member. These amounts are non-taxable distributions and can't have credits attached.

For more information read our *Māori authority guide* (IR487).

## Question 14 Income from another partnership

If the partnership or LTC received any income or loss from another partnership, write the details at Question 14.

Don't include any:

- interest and RWT - show these at Question 11
- dividends, imputation credits, and dividend RWT - show these at Question 12
- Māori authority distributions and credits - show these at Question 13
- overseas income and any credits attached - show these at Question 16, see pages 12 to 14
- rental income - show this at Question 18, see page 16
- other income - show this at Question 19, see pages 16 to 20.

Add up all the other income from partnerships and include the total in Box 14B. If a loss, put a minus sign in the last box.

Add up any other tax credits and include the total in Box 14A.

## Question 15 Income from another LTC

If the LTC received income from another LTC, write the details at Question 15.

### Note

A partnership does not receive income or deductions from an LTC. If two or more people jointly receive income or deductions from an LTC, they should show these on their own returns, not the partnership's return.

LTCs are transparent (looked through), meaning the owners are treated as having received the income and incurred the loss of the company.

A loss from an LTC is subject to a loss limitation rule. This limits the deductions an owner can claim to the amount of their "owner's basis". For this reason, any deductions incurred by the LTC must be allocated to the owners and identified separately. See Boxes 24O to 24R Non-allowable deductions (IR7L only) on pages 25 to 28 for more information about the loss limitation rule. There are two examples of the loss limitation rule on pages 29 to 49.

The LTC will normally supply information about non-allowable deductions and any other information required to complete your return.

Don't include any of the following types of income received from another LTC at Question 15:

- interest and RWT - show these at Question 11
- dividends, imputation credits, and dividend RWT - show these at Question 12
- Māori authority distributions and credits - show these at Question 13
- overseas income and any credits attached - show these at Question 16, see pages 12 to 14
- rental income - show this at Question 18, see page 16
- other income - show this at Question 19, see pages 16 to 20.

Add up all the other income from LTCs and include the total in Box 15B. If a loss, put a minus sign in the last box.

Add up any other tax credits and include the total in Box 15A.

Add up any non-allowable deductions this year from LTCs and include the total in Box 15C.

If you had any non-allowable deductions brought forward from last year, you may be able to claim some, or all, of the brought forward amount this year. Print the

amount claimable in Box 15D Prior years' non-allowable deductions claimed this year.

If you have an amount in Box 15C, add this to Box 15B and put the total in Box 15E.

If you have an amount in Box 15D, subtract this from Box 15B and put the total in Box 15E.

If you don't have any amounts in Box 15C or Box 15D, copy the amount from Box 15B into Box 15E.

Box 15E is your adjusted LTC income.

## Question 16 Overseas income

If the partnership or LTC received overseas income, eg, from interest or financial arrangements, show this at Question 16.

Convert all overseas income and qualifying overseas tax paid to New Zealand dollars. You can do this by:

- using the rates available on [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: **overseas currencies**)
- contacting the overseas section of a trading bank and asking for the exchange rate for the day you received your overseas income.

Tax paid overseas is distributed to the partners or owner(s) and the tax credit limit is calculated on the partner's or owner's income tax return. Keep evidence of overseas tax paid with your tax records for seven years. For more information about foreign tax credits read *A guide to foreign investment funds and the fair dividend rate (IR461)*.

If the income was received from a financial arrangement, please read our *Tax Information Bulletin (TIB)*, Vol 20, No 3 (April 2008).

## Overseas dividends

There are two situations covering the treatment of overseas dividends. Each owner or partner will need to determine which of the following applies to their share of foreign investments:

- If the shares have FIF income or loss calculated, don't include any dividends paid from these shares on the IR7 return. Instead, show the calculated FIF income or loss at Box 16B.
- If the shares are covered by one of the FIF exclusions (see pages 14 and 15), show the dividends at Box 16B.

Each owner or partner will need to advise their individual amount of either the FIF income or loss (or their FIF calculation method) or the dividend, to be included on the IR7 return. Show each owner's or partner's individual amount, plus any other allocation of overseas income, at Box 16B on the IR7 return and at Box 24F on the IR7L or IR7P form - see page 24. This information is also used in determining the income amount at Box 4 on page 26 of this guide.

In either situation, include any qualifying overseas tax credits attached to the dividends at Box 16A. Some Australian dividends can have New Zealand imputation credits attached. Include these at Box 12. Please note you can't claim Australian franking credits.

If the partnership or LTC received dividends from an overseas company through an agent or trustee who deducted RWT in New Zealand or dividends treated as interest, show the New Zealand RWT deducted at Box 12A.

### **Note**

If you've shown an imputation credit in Box 12 or an RWT credit in Box 12A and there is no income associated to these in Box 12B, you'll need to attach a note to the top of page 3 of your return with the details.

### **Foreign investment fund (FIF) income or loss**

If at any time during the 2016 income year the partnership or LTC held rights like shares, units or an entitlement to benefit in any foreign company, foreign unit trust, foreign superannuation scheme or foreign life insurance policy, the partners or owner(s) may be required to calculate FIF

income or loss in their own income tax return(s).

Generally, the partners or owner(s) will use the fair dividend rate to calculate FIF income. The partners or owner(s) may also need to file an additional FIF disclosure form. See Question 25 on page 48.

The main exclusions from an interest in a FIF are:

- investments in certain Australian resident companies listed on approved indices on the Australian stock exchange, that maintain franking accounts. Investments covered in the list are available in the *Australian share exemption list (IR871)*
- interest in certain Australian unit trusts
- limited exemptions for interest in certain venture capital interests that move offshore (for 10 income years from the income year in which the company migrates from New Zealand)
- a 10% or greater interest in a CFC
- an individual or trustee of certain trusts, who is a partner or owner and holds, at all times in the income year, FIFs with a total cost of \$50,000 or less.

You can find more information on the exclusions and the FIF rules at [www.ird.govt.nz/toii/fif](http://www.ird.govt.nz/toii/fif) and in our *Tax Information Bulletins (TIBs)* - see the online index for relevant issues.

### **Controlled foreign company (CFC) income or loss**

If at any time during the 2017 income year the partnership or LTC has attributed CFC income or loss, the partners or owner(s) may be required to calculate this in their own income tax return(s).

A loss from a CFC can't be used to offset domestic income or be included in domestic losses that are carried forward to the 2016 income year. Generally, these losses can only offset income or future income from CFCs that are resident in the same country as the CFC that incurred the loss.

The partners or owner(s) may also need to file an additional CFC disclosure form. See Question 25 on page 48.

## Question 17 Business income

Write the net profit or loss in Box 17B. This is the amount of income or loss after deducting all allowable business expenditure. If this is a loss, put a minus sign in the last box. Refer to our *Smart business (IR320)* guide for information on allowable business expenditure and record keeping.

Attach one of these to the top of page 3 of your return:

- a set of the partnership's or LTC's financial accounts
- a completed *Financial statements summary (IR10)* form
- a completed *Farming income (IR3F)* form or *Schedule of business income (IR3B)* form.

If you complete an IR10, which speeds up the processing of the return, you don't need to send us your financial accounts as well, but keep them in case we ask for them later.

### Attribution rule

Anyone who provides services and puts an intermediary between themselves and the recipient of the personal service has income earned allocated to them, not the intermediary.

If this rule applies to persons associated to your partnership or LTC, it will affect the amount of taxable income in this return.

When applying the attribution rule, LTCs are treated as associated entities and not as being transparent.

To find out how to apply this rule, please read our *Tax Information Bulletins (TIBs)*, Vol 12, No 12 (December 2000), Vol 13, No 11 (November 2001), and Vol 21, No 8 Pt 2 (October/November 2009).

If you need more information, please call us - see page 50.

## Question 18 Rental income

Write the net profit or loss (total rents minus expenses) in Box 18B. If this is a loss, put a minus sign in the last box. Refer to our *Rental income (IR264)* guide for information on allowable rental expenses and record keeping.

Attach one of these to the top of page 3 of your return:

- a set of the partnership's or LTC's financial accounts
- a completed *Financial statements summary (IR10)* form
- a completed *Rental income (IR3R)* form.

## Question 19 Other income

If you invested capital in a partnership or LTC but didn't take an active part in the day-to-day operation or management of the business, any earnings would be considered passive income. Enter this amount at Question 19. Don't enter it here if you've already included it at another Question on your return.

Also at Question 19 show any other income the partnership or LTC received, eg, sale of:

- land and/or buildings
- non-FIF shares or other property
- securities.

If the partnership or LTC received any of the income listed above, please read the following.

### Income from sale of land and/or buildings

Profits from the sale of land and/or buildings are taxable if the partnership or LTC:

- buys a property for the purpose or intention of resale
- buys and sells land and/or buildings as a business
- trades as a builder and improves a property before selling it
- develops or subdivides land and sells sections
- has a change of zoning on its property, and sells it within 10 years of buying it.



- purchased a property on or after 1 October 2015 and sold/disposed of it before the end of the income year, whether the intention at the time of purchase was for resale or not.

If the partnership or LTC is a New Zealand tax resident it will need to pay tax on its worldwide income under New Zealand tax law. This includes any property sales worldwide whether caught under the bright-line test for residential property sales or the other property rules.

Complete a *Property sale information (IR833)* form for each property sold/disposed of and include it with the return. The form explains how to calculate and correctly return the resulting profit or loss. The form can be downloaded from our website [www.ird.govt.nz](http://www.ird.govt.nz) (search keyword: IR833). Complete the form even if the details have been included in a *Financial statements summary (IR10)* or set of accounts. Include the taxable profits in Box 19B.

### **Income from sale of non-FIF shares or other property**

Profits from the sale of shares and other property are taxable if the partnership or LTC buys:

- and sells shares or other property as a business
- shares or other property for resale
- shares or property to make a profit.

List the details of gross income and expenses from these sales on a separate sheet of paper and attach it to the top of page 3 of your IR7. Include the total profits in Box 19B.

### **Selling or disposing of assets**

If the partnership or LTC sold or disposed of a depreciated asset for more than its adjusted tax value, you may need to account for depreciation recovered.

You can use the depreciation calculator on our website [www.ird.govt.nz](http://www.ird.govt.nz) to get a complete depreciation schedule for any asset. The schedule includes the amount to claim in the year of purchase and any adjustment in the year of sale. For further information please read *Depreciation -*

*a guide for businesses (IR260), and either Depreciation rates (IR265) or Historic depreciation rates (IR267).*

### **Losses from sale of land, buildings, shares or other property**

If the partnership or LTC has made a loss and you can show that if the partnership or LTC had made a profit it would have been taxable, the partnership or LTC may be able to claim the loss as an expense. Include the total loss at Box 19B.

Write the details of the loss on a separate sheet of paper and attach it to the top of page 3 of your IR7. Include details of other profits or losses made from similar sales, whether in this tax year or earlier.

### **Financial arrangements**

A partner or owner must account for income from financial arrangements on an accrual basis. Financial arrangements include government stock, local authority stock, mortgage bonds, futures contracts and deferred property settlements.

Changes to the rules for the treatment of financial arrangements have split the rules into two sets. Generally, the first set applies to financial arrangements entered into before 20 May 1999 and the second applies to financial arrangements entered into, on or after that date.

Both sets of rules require the income or expenditure to be spread over the term of the financial arrangement. Both sets of rules allow some exceptions from these spreading provisions if the partner or owner is a cash-basis holder (under the first set of rules), or a cash-basis person (under the second set of rules).

The partner or owner is a **cash-basis holder** if, before 20 May 1999:

- they held financial arrangements of \$600,000 or less in value, or
- the income derived from the financial arrangements was \$70,000 or less, and

- the difference between the person's gross income calculated under the cash basis and that calculated under the accrual method is no more than \$20,000.

The partner or owner is a **cash-basis person** if, from 20 May 1999:

- the value of all financial arrangements added together is less than \$1 million, or
- the absolute value (the value no matter whether it's a positive or a negative figure) calculated under the accrual rules in the income year from the financial arrangement is less than \$100,000, and
- in comparing the gross income and expenditure using a spreading method under the accrual rules with the cash-basis income and expenditure, the result is less than \$40,000.

To determine whether the partner or owner is a cash-basis holder or cash-basis person, they must take into account their share of the financial arrangement, or their share in the gross income or expenditure under the financial arrangement the partnership or LTC is a party to.

### **Sale or maturity of financial arrangements**

Whether or not the exemption from the spreading methods applies, when a financial arrangement matures, is sold, remitted or transferred, you must do a "wash-up" calculation, known as a base price adjustment. The calculation ensures the total gains or losses from the financial arrangement are accounted for.

If you need any information about calculating a base price adjustment, please call us on 0800 443 773.

## Question 19C Residential land withholding tax (RLWT) credit

If a partner had RLWT deducted from the sale or transfer of a residential property located in New Zealand, they'll need to show the full amount of the RLWT in their own individual income tax return. Don't include it in the partnership tax credits.

If the LTC is an "offshore RLWT person" and has sold or transferred residential property located in New Zealand, RLWT may have been deducted from the sale price. The LTC should have received a statement on the completion of the sale process showing the amount of RLWT deducted. The LTC can claim a credit for any RLWT deducted. Show the amount of RLWT deducted, less any RLWT paid back to the LTC and/or transferred to outstanding amounts during the income year.

If there was more than one amount of RLWT deducted, show the combined amount, less any RLWT paid back to the LTC and/or transferred to outstanding amounts during the income year.

Show the name of the LTC's withholder(s) in the "Name of payer" box.

## Question 21 Expenses

The partnership or LTC may have incurred expenses in generating its income, for example:

- commission deducted from interest and dividends
- expenses for return preparation
- interest paid to Inland Revenue for late payment of tax in the income year it is paid.

If the expenses have not already been claimed in the return, print the amount in Box 21.

## Question 23 Deduction for losses extinguished on transition from a QC or LAQC

If the partnership or LTC had losses which were extinguished on transitioning from a QC or LAQC, each owner or partner is allowed a deduction for an amount equal to the amount given by the following formula:

$$\begin{aligned} & (\text{Loss balance extinguished} - \text{prior years' deductions}) \\ & \times \text{partnership share or owner's effective interest} \end{aligned}$$

**Note:** this is limited to the partner's or owner's share of net partnership or net LTC income for the year.

**Loss balance extinguished** is the loss balance extinguished on transition from a QC or LAQC. If it includes foreign losses please call us on 0800 377 774 to make sure they are accounted for correctly.

**Prior years' deductions** is the total amount of deductions for extinguished losses allowed in previous income years for all persons with a share in the partnership, or an effective look-through interest in the LTC. If this is the first year deductions have been claimed for extinguished losses, the amount will be zero.

Work out the maximum allowable deduction for each owner or partner using the calculation table below and on page 22.

**Boxes 1 to 3** only need to be completed once. Use the resulting figures for all owners or partners.

**Boxes 4 to 9** must be completed for each owner or partner using their information from the IR7L or IR7P.

Loss balance extinguished  
(copy this figure to Box 23  
on the IR7)

1 ▶

\$

Prior years' deductions  
(copy this figure to Box 23A  
on the IR7)

2 ▶

\$

Subtract Box 2 from Box 1  
and print the answer in Box 3.

3 ▶

\$

If the answer in Box 3 is zero, no further deductions for extinguished losses can be claimed by the owners or partners. If it is greater than zero, continue below.

### Note

Information on completing the IR7L is explained later in this guide. Attribution of income/loss is explained on pages 23 and 24, and how to complete Box 24O is explained on pages 25 to 28 of this guide.

Copy the total income figure from Box 24J on the IR7L or IR7P to Box 4




For LTC owners, copy any non-allowable deductions this year from Box 24O on the IR7L to Box 5




Add Boxes 4 and 5 and print the answer in Box 6.




If Box 6 is a loss, the owner or partner isn't entitled to a deduction this year. If it isn't a loss, continue below.

Convert the owner's or partner's attribution of income/loss from Box 24B on the IR7L or IR7P to a decimal amount (eg, 40% = .40). Print the answer in Box 7.




Multiply Box 3 by Box 7 and print the answer in Box 8.




Print the amount from either Box 6 or Box 8, whichever is the lesser, in Box 9 below. This is the maximum deduction for the owner or partner.

Maximum deduction




Copy the amount from Box 9 to Box 24K on the IR7L or IR7P form.

Add up the maximum deductions for all owners or partners and print the answer in Box 23B of the IR7 return.

## Question 24 Attribution of income/loss

All income, losses and tax credits must be attributed to the partners or owners in proportion to their share in the partnership or effective look-through interest in the LTC.

At Question 24 tick which entity the income/loss details are attached for.

- For partnerships, complete the IR7P to provide attribution details for all partners.
- For LTCs, complete the IR7L to provide attribution details for all owners.

Show the details for each partner or owner on the relevant form. If there are more than four partners or owners use additional IR7P or IR7L forms. You can print them from our website [www.ird.govt.nz](http://www.ird.govt.nz) as you need them.

Attach all IR7P or IR7L forms to the top of page 3 of your IR7 return.

## Completing your IR7L or IR7P

### Box 24A IRD number

Print the partner's or owner's IRD number. If you don't know their IRD number you will need to contact them to request it.

### Box 24B Attribution of income/loss

Show the attribution of income or loss the partner or owner is entitled to as a percentage of the total. Write percentages as four-digit numbers, eg, show 15% as 15.00.

#### **Note**

For LTCs with only one one owner the percentage will be a five-digit number, eg, show 100% as 100.00.

For LTCs, effective look-through interest determines each owner's attribution of income or loss from the LTC.

Each owner's effective look-through interest is measured by:

- the percentage of decision-making rights carried by their shares in the company in relation to dividends or other distributions
- the company's constitution
- a variation of the company's capital
- director's appointments or elections.

Please read our *Look-through companies (IR879)* guide if you need further information.

### **Boxes 24C to 24I Attributed income/loss**

Print the partner's or owner's attribution of:

- interest (from Question 11) in Box 24C
- dividends (from Question 12) in Box 24D
- Māori authority distributions (from Question 13) in Box 24E
- overseas income (from Question 16) in Box 24F
- rental income (from Question 18) in Box 24G
- other income (from Question 19 minus any relevant expenses at Question 21, including income received by a non-active partner or owner in the business) in Box 24H
- all other income and expenses (not already included in Boxes 24C to 24H) in Box 24I.

### **Box 24J Total income**

Print the total of all Boxes 24C, 24D, 24E, 24F, 24G, 24H and 24I in Box 24J. If a loss, put a minus sign in the last box.

#### **Note**

The totals of all partners' or owners' Box 24Js must add up to the IR7 income or loss shown in Box 22. If they don't, it will take us longer to process your return.



## Box 24K Deduction for extinguished losses

See instructions on pages 21 and 22 of this guide.

## Boxes 24L to 24N Attributed tax credits

Print the partner's or owner's attribution of:

- overseas tax paid (from Question 16) in Box 24L
- imputation credits (from Question 12) in Box 24M
- other tax credits (from Questions 10 to 15, excluding any imputation credits) in Box 24N.

## Boxes 24O to 24R Non-allowable deductions (IR7L only)

The loss limitation rule ensures that the deductions claimed reflect the level of an owner's economic loss in the LTC. The "owner's basis" refers to the adjusted tax book value of an owner's investment in the LTC. The deductions an owner may claim are restricted if the overall deductions exceed the owner's basis in the LTC.

**See examples of the loss limitation rule on pages 29 to 49.**

### Note

For each owner calculate their owner's basis and any non-allowable deductions using the tables and information on pages 26 to 28. Please read page 16 of our *Look-through companies (IR879)* guide before calculating the owner's basis. It explains the terms used in the following calculation.

**If there's more than one owner, complete the tables on pages 26 and 27 for each owner separately.**

Calculate the owner's basis here:		
Investments	<b>1</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Distributions	<b>2</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Subtract Box 2 from Box 1	<b>3</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Income	<b>4</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Add Boxes 3 and 4	<b>5</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Deductions from previous tax years (but excluding any non-allowable deductions in those years)	<b>6</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Subtract Box 6 from Box 5	<b>7</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Disallowed amounts	<b>8</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>
Subtract Box 8 from Box 7*	<b>9</b> ▶	\$ <input style="width: 100px;" type="text" value="."/>

\* If Box 9 is a negative amount it means the owner has negative equity in the LTC and their owner's basis will be treated as nil. Print "0.00" in Box 9.

Please note - deductions in Box 6 above also includes all the deductions claimed against gross income from the LTC from all sources in previous years in which the company was a LTC. For example, if the LTC has a rental property, all the deductions claimable against the rental income will be included in the total deductions figure, as well as expenses incurred in producing income from all other sources.

When each owner's basis (Box 9 on page 26) has been calculated you can work out if there is any limitation on the deductions claimable for each owner. If the:

- owner's basis (Box 9) is more than their attribution of the deductions (expenses), you won't need to complete Box 24O - go to Non-allowable deductions.
- attribution of deductions (expenses) to the owners are more than their owner's basis you'll need to complete Boxes 1 to 3 below to calculate the amount to declare at Box 24O.

Attribution of this year's deductions (expenses)	<b>1</b> ▶	\$ <input style="width: 100px;" type="text"/>
Owner's basis (from Box 9 on page 26)	<b>2</b> ▶	\$ <input style="width: 100px;" type="text"/>
Subtract Box 2 from Box 1	<b>3</b> ▶	\$ <input style="width: 100px;" type="text"/>

The result is non-allowable deductions this year. Copy the amount from Box 3 into Box 24O on your IR7L.

Any deductions an owner can't claim because of the loss limitation rule are carried forward and may be claimed in future years, subject to the application of the loss limitation rule in those years. Owners may only use these deductions against income from the LTC.

### Non-allowable deductions

Complete the calculation (Boxes 1 to 5) on page 28 if you have:

- non-allowable deductions brought forward from last year (copy the amount from Box 24R Non-allowable deductions on your IR7L 2016 form into Box 24P on your IR7L 2017 form) and/or
- non-allowable deductions this year (that means Box 24O has an amount in it).

Non-allowable deductions brought forward (also show this amount in Box 24P).	<b>1</b> ▶	\$	<input type="text"/>	.	<input type="text"/>
Non-allowable deductions this year (Box 3 on page 27, put zero if you don't have non-allowable deductions)	<b>2</b> ▶	\$	<input type="text"/>	.	<input type="text"/>
Add Boxes 1 and 2.	<b>3</b> ▶	\$	<input type="text"/>	.	<input type="text"/>
If your Owner's basis (Box 9 on Page 26) was more than your attribution of this year's deductions (expenses), copy the difference to Box 4, otherwise print \$0.00.	<b>4</b> ▶	\$	<input type="text"/>	.	<input type="text"/>
Subtract Box 4 from Box 3 (print \$0.00 if this would equal a negative value).	<b>5</b> ▶	\$	<input type="text"/>	.	<input type="text"/>

### Prior years' non-allowable deductions claimable this year

If there is a figure in Box 4, you will be able to claim prior years' non-allowable deductions. Enter the smaller number of Box 3 and Box 4 as prior years' non-allowable deductions claimed this year in Box 24Q on your IR7L.

### Non-allowable deductions carried forward

The amount in Box 5 is the non-allowable deductions to carry forward. Copy this amount into Box 24R.

## Example 1

### LTC loss limitation rule - current year non-allowable deductions only

The following details are for Company A which is an LTC:

IRD number	12-345-678
Total gross income	\$6,000
Expenses/deductions	\$10,000
Loss	\$4,000
One owner (shareholder):	Company B (100%)
IRD number	910-111-213
Company B's owner's basis	\$5,500.00

**Note:** Company B is also an LTC

**Calculate the non-allowable deductions for Company B:**

Attribution of this year's deductions (expenses)	<b>1</b> ▶	\$ 10,000.00
Owner's basis (from Box 9 on page 26)	<b>2</b> ▶	\$ 5,500.00
Subtract Box 2 from Box 1	<b>3</b> ▶	\$ 4,500.00

Box 3 is Company B's non-allowable deductions this year. The amount in Box 3 (\$4,500) is shown at Box 24O.

Non-allowable deductions brought forward (also show this amount in Box 24P on the IR7L).	<b>1</b> ▶	\$ 0.00
Non-allowable deductions this year (copy from Box 3 above)	<b>2</b> ▶	\$ 4,500.00
Add Boxes 1 and 2	<b>3</b> ▶	\$ 4,500.00
Excess owner's basis (not applicable to Company B)	<b>4</b> ▶	\$ .
Subtract Box 4 from Box 3 (Print \$0.00 if negative).	<b>5</b> ▶	\$ 4,500.00

Box 5 is Company B's non-allowable deductions to carry forward. The amount in Box 5 (\$4,500) is shown at Box 24R.

Company A's IR7L would look like this:



Inland Revenue  
Te Tari Taake

Look-through  
income/loss

- Read pages 23 to 49 of the IR7 guide before completing this form
- Complete this form and attach it to the top of page 3 of the IR7L

Look-through company  
(LTC) name

COMPANY A

IRD number

(8 digit numbers start in the second box. 1 2 3 4)

Owner's name

COMPANY B

IRD number

24A▶ 9 1 0 1 1 1 2 1 3

**Attributed income/loss and tax credits**

Interest - if a loss, put a minus sign in the last box

24C▶ \$ , , .

Dividends

24D▶ \$ , , .

Māori authority distributions

24E▶ \$ , , .

Overseas income - if a loss, put a minus sign in the last box

24F▶ \$ , , .

Rental income - if a loss, put a minus sign in the last box

24G▶ \$ , , .

Other passive income - if a loss, put a minus sign in the last box

24H▶ \$ , , .

All other income (not already included at Boxes 24C to 24H)  
- if a loss, put a minus sign in the last box

24I▶ \$ , 4,000.00 -

Total income (sum of Boxes 24C to 24I)  
- if a loss, put a minus sign in the last box

24J▶ \$ , 4,000.00 -

# ough company (LTC) ss attribution

IR7L  
March 2017

# 2017

s form.  
e LTC's IR7 income tax return.

5	6	7	8											
				1	2	3	4	5	6	7	8			

Attribution of income/loss (see page 23 of the guide) **24B** ▶ 1 0 0 . 0 0 0 %

Deduction for extinguished losses (see page 25 of the guide)

**24K** ▶ \$ , , .

Overseas tax paid

**24L** ▶ \$ , , .

Imputation credits

**24M** ▶ \$ , , .

Other tax credits (see page 25 of the guide)

**24N** ▶ \$ , , .

Non-allowable deductions this year (see pages 25 to 28 of the guide)

**24O** ▶ \$ , 4,500 . 00

Non-allowable deductions brought forward

**24P** ▶ \$ , , .

Prior years' non-allowable deductions claimed this year

**24Q** ▶ \$ , , .

Non-allowable deductions carried forward  
(either add Boxes 24O and 24P, or subtract Box 24Q from 24P)

**24R** ▶ \$ , 4,500 . 00

Company B's IR7 return Question 15 would look like this:

15. Did the LTC receive any **income from another LTC**? (Exclude any LTCs that are not active for 16, 18, 19.)

No  Go to Question 16. Y

Total LTC tax credits

**15A** ▶ \$  ,  ,  .

Total active LTC income - if a loss, print as a loss

**15B** ▶ \$  ,  ,

Non-allowable deductions this year

**15C** ▶ \$  ,

Prior years' non-allowable deduction

**15D** ▶ \$  ,

Either add Boxes 15B and 15C, or subtract Box 15D from 15B.  
Print your answer in Box 15E.

Company B's adjusted LTC income is in effect calculated by subtracting its allowable deductions (\$5,500) from Company A's gross income (\$6,000) = \$500.

The adjusted LTC income in 15E (\$500) is then distributed to Company B's owners and shown on the IR 7L form attached to its return.

**Company B's owners (shareholders) details are:**

Harry (50%)	IRD number	141-516-171
Sarah (50%)	IRD number	81-920-212
Harry's owner's basis		\$2,900
Sarah's owner's basis		\$0

Each owner's attributed income from Company B is \$250.

Harry and Sarah compare their attribution of the allowable deductions for Company B (\$5,500 as above - \$2750 each) to their owner's basis to calculate any non-allowable deductions they may have.



ny income/loss received that you've included at Questions 11, 12, 13,

es  See pages 10 and 12 of the guide. Print the totals here.

ut a minus sign in the last box

4,000.00 -

4,500.00

ns claimed this year

,  .

adjusted LTC income - if a loss, put a minus sign in the last box.

15E  \$  ,  , 500.00

Calculate the non-allowable deductions for Harry:

Attribution of this year's deductions (expenses)	<input type="text"/> 1 <input type="text"/>	\$ <input type="text"/> 2,750.00
Owner's basis	<input type="text"/> 2 <input type="text"/>	\$ <input type="text"/> 2,900.00
Subtract Box 2 from Box 1	<input type="text"/> 3 <input type="text"/>	\$ <input type="text"/> 150.00-
Non-allowable deductions brought forward (also show this amount in Box 24P).	<input type="text"/> 4 <input type="text"/>	\$ <input type="text"/> .
Add Boxes 3 and 4. (Print \$0.00 if this would equal a negative value.)	<input type="text"/> 5 <input type="text"/>	\$ <input type="text"/> 0.00

Harry's attributed LTC income is \$250. His attributed deductions (\$2,750) are less than his owner's basis (\$2,900), so he doesn't have any non-allowable deductions this year (Box 24O).

Company B's IR7L details for Harry would look like this:



**Inland Revenue**  
Te Tari Taake

**Look-through  
income/loss**

- Read pages 23 to 49 of the IR7 guide before completing this form
- Complete this form and attach it to the top of page 3 of the IR7 guide

Look-through company  
(LTC) name

COMPANY B

IRD number

(8 digit numbers start in the second box. 1 2 3 4

Owner's name

HARRY

IRD number

24A ▶

1 4 1 5 1 6 1 7 1

**Attributed income/loss and tax credits**

Interest - if a loss, put a minus sign in the last box

24C ▶

\$

, , .

Dividends

24D ▶

\$

, , .

Māori authority distributions

24E ▶

\$

, , .

Overseas income - if a loss, put a minus sign in the last box

24F ▶

\$

, , .

Rental income - if a loss, put a minus sign in the last box

24G ▶

\$

, , .

Other passive income - if a loss, put a minus sign in the last box

24H ▶

\$

, , .

All other income (not already included at Boxes 24C to 24H)  
- if a loss, put a minus sign in the last box

24I ▶

\$

, 2 5 0 . 0 0

Total income (sum of Boxes 24C to 24I)

- if a loss, put a minus sign in the last box

24J ▶

\$

, 2 5 0 . 0 0





Sarah's attributed LTC income is \$250. Her attributed deductions (\$2,750) are more than her owner's basis (\$0.00), so her allowable deductions are limited to this amount. This means her non-allowable deductions this year are \$2,750.

Attribution of income/loss (see page 23 of the guide)	24B ▶	50.00 %
Deduction for extinguished losses (see page 25 of the guide)	24K ▶	\$ , , .
Overseas tax paid	24L ▶	\$ , , .
Imputation credits	24M ▶	\$ , , .
Other tax credits (see page 25 of the guide)	24N ▶	\$ , , .
Non-allowable deductions this year (see pages 25 to 28 of the guide)	24O ▶	\$ , 2,750.00
Non-allowable deductions brought forward	24P ▶	\$ , , .
Prior years' non-allowable deductions claimed this year	24Q ▶	\$ , , .
Non-allowable deductions carried forward (either add Boxes 24O and 24P, or subtract Box 24Q from 24P)	24R ▶	\$ , 2,750.00

Both Harry and Sarah will show their income from Company B in their *Individual income tax return (IR3)* at Question 19 "Did you receive any look-through company (LTC) income?".

Harry won't have any non-allowable deductions this year, but Sarah will. Her adjusted LTC income from Company B will be \$3,000 and she will be able to carry forward the \$2,750 non-allowable deductions to the next year.

**Harry's IR3 Question 19 would look like this:**

19 Did you receive any **look-through company (LTC) income**? Exclude

No  Go to Question 20

Yes  Print the totals h

Total LTC tax credits

**19A** ▶ \$     ,     .

Total active LTC income - if this amount is a loss, put a minus sign in the las

**19B** ▶ \$     ,

Non-allowable deductions this year

**19C** ▶ \$     ,

Prior years' non-allowable deductions

**19D** ▶ \$     ,

Either add Boxes 19B and 19C or subtract Box 19D from  
Print your answer in Box 19E.

le any income/loss shown at Questions 13, 14, 15, 17, 22 and 24.

ere. See page 25 in the guide.

t box.

, 2 5 0 . 0 0

, .

claimed this year

, .

Adjusted LTC income

19B. **19E** ▶ \$ , , 2 5 0 . 0 0

Sarah's IR3 Question 19 would look like this:

**19** Did you receive any **look-through company (LTC) income**? Exclud

No  Go to Question 20

Yes  Print the totals h

Total LTC tax credits

**19A** ▶ \$

Total active LTC income - if this amount is a loss, put a minus sign in the las

**19B** ▶ \$

Non-allowable deductions this year

**19C** ▶ \$

Prior years' non-allowable deductions

**19D** ▶ \$

Either add Boxes 19B and 19C or subtract Box 19D from  
Print your answer in Box 19E.

## Example 2

### LTC loss limitation rule - with non-allowable deductions brought forward

The following details are for Company C which is an LTC:

IRD number	22-324-252
Total gross income	\$6,000
Expenses/deductions	\$8,000
Loss	\$2,000

**Company C's owners (shareholders) details are:**

Ted (50%)	IRD number	62-728-293
Manu (50%)	IRD number	31-323-334
Ted's owner's basis		\$6,000
Manu's owner's basis		\$3,000

Both Ted and Manu had non-allowable deductions last year of \$500.



le any income/loss shown at Questions 13, 14, 15, 17, 22 and 24.

ere. See page 25 in the guide.

t box.

, 2 5 0 . 0 0

2, 7 5 0 . 0 0

claimed this year

, .

Adjusted LTC income

19B. **19E** ▶ \$ , 3, 0 0 0 . 0 0

**Calculate the non-allowable deductions for Ted and Manu:**

		Ted	Manu
Attribution of this year's deductions (expenses)	<b>1</b> ▶	\$ 4,000.00	\$ 4,000.00
Owner's basis (from Box 9 on page 26)	<b>2</b> ▶	\$ 6,000.00	\$ 3,000.00
Subtract Box 2 from Box 1	<b>3</b> ▶	\$ -2,000.00	\$ 1,000.00
Non-allowable deductions brought forward (also show this amount in Box 24P).	<b>4</b> ▶	\$ 500.00	\$ 500.00
Add Boxes 3 and 4. (Print \$0.00 if this would equal a negative value.)	<b>5</b> ▶	\$ 0.00	\$ 1,500.00

Company C's IR7L details for Ted would look like this:



**Inland Revenue**  
Te Tari Taake

**Look-through  
income/loss**

- Read pages 23 to 49 of the IR7 guide before completing this form
- Complete this form and attach it to the top of page 3 of the IR7 guide

Look-through company (LTC) name **COMPANY C**

IRD number (8 digit numbers start in the second box. 1 2 3 4)

Owner's name **TED**

IRD number **24A** 6 2 7 2 8 2 9 3

**Attributed income/loss and tax credits**

Interest - if a loss, put a minus sign in the last box

**24C** ▶ \$ , , .

Dividends

**24D** ▶ \$ , , .

Māori authority distributions

**24E** ▶ \$ , , .

Overseas income - if a loss, put a minus sign in the last box

**24F** ▶ \$ , , .

Rental income - if a loss, put a minus sign in the last box

**24G** ▶ \$ , , .

Other passive income - if a loss, put a minus sign in the last box

**24H** ▶ \$ , , .

All other income (not already included at Boxes 24C to 24H)  
- if a loss, put a minus sign in the last box

**24I** ▶ \$ , 1,000.00 -

Total income (sum of Boxes 24C to 24I)  
- if a loss, put a minus sign in the last box

**24J** ▶ \$ , 1,000.00 -

# ough company (LTC) ss attribution

**IR7L**  
March 2017

**2017**

s form.

e LTC's IR7 income tax return.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

5 6 7 8 )

2 2 3 2 4 2 5 2

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Attribution of income/loss  
(see page 23 of the guide)

**24B** ▶

5 0 . 0 0 %

Deduction for extinguished losses (see page 25 of the guide)

**24K** ▶

\$ , , .

Overseas tax paid

**24L** ▶

\$ , , .

Imputation credits

**24M** ▶

\$ , , .

Other tax credits (see page 25 of the guide)

**24N** ▶

\$ , , .

Non-allowable deductions this year (see pages 25 to 28 of the guide)

**24O** ▶

\$ , , .

Non-allowable deductions brought forward

**24P** ▶

\$ , , 5 0 0 . 0 0

Prior years' non-allowable deductions claimed this year

**24Q** ▶

\$ , , 5 0 0 . 0 0

Non-allowable deductions carried forward  
(either add Boxes 24O and 24P, or subtract Box 24Q from 24P)

**24R** ▶

\$ , , 0 . 0 0

Ted will show his income from Company C on his *Individual income tax return (IR3)* at Question 19 "Did you receive any look-through company (LTC) income?" as shown below.

Ted's attribution of this year's deductions isn't limited, so he can claim his full share of the loss (\$1,000). In addition, he is now able to claim the \$500 he wasn't allowed last year, making his adjusted LTC income a \$1,500 loss.

**Ted's IR3 Question 19 would look like this:**

19 Did you receive any **look-through company (LTC) income**? Exclud

No  Go to Question 20 Yes  Print the totals h

Total LTC tax credits

**19A** ▶ \$

Total active LTC income - if this amount is a loss, put a minus sign in the las

**19B** ▶ \$

Non-allowable deductions this year

**19C** ▶ \$

Prior years' non-allowable deductions

**19D** ▶ \$

Either add Boxes 19B and 19C or subtract Box 19D from  
Print your answer in Box 19E.

le any income/loss shown at Questions 13, 14, 15, 17, 22 and 24.

ere. See page 25 in the guide.

t box.

1,000.00 -

, .

claimed this year

,500.00

Adjusted LTC income

19B. **19E** ▶ \$ , 1,500.00 -

Company C's IR7L details for Manu would look like this:

Owner's name	M A N U															
IRD number	24A ▶		3	1	3	2	3	3	3	4						
<b>Attributed income/loss and tax credits</b>																
Interest - if a loss, put a minus sign in the last box																
24C ▶	\$															
Dividends																
24D ▶	\$															
Māori authority distributions																
24E ▶	\$															
Overseas income - if a loss, put a minus sign in the last box																
24F ▶	\$															
Rental income - if a loss, put a minus sign in the last box																
24G ▶	\$															
Other passive income - if a loss, put a minus sign in the last box																
24H ▶	\$															
All other income (not already included at Boxes 24C to 24H) - if a loss, put a minus sign in the last box																
24I ▶	\$					1	0	0	0					0	0	-
Total income (sum of Boxes 24C to 24I) - if a loss, put a minus sign in the last box																
24J ▶	\$					1	0	0	0					0	0	-

Manu will show her income from Company C on her *Individual income tax return (IR3)* at Question 19 "Did you receive any look-through company (LTC) income?".

She would also have \$1,500 non-allowable deductions to carry forward to next year.

Attribution of income/loss (see page 23 of the guide) **24B** ▶ 50.00%

Deduction for extinguished losses (see page 25 of the guide)

**24K** ▶ \$ , , .

Overseas tax paid

**24L** ▶ \$ , , .

Imputation credits

**24M** ▶ \$ , , .

Other tax credits (see page 25 of the guide)

**24N** ▶ \$ , , .

Non-allowable deductions this year (see pages 25 to 28 of the guide)

**24O** ▶ \$ , 1,000.00

Non-allowable deductions brought forward

**24P** ▶ \$ , 500.00

Prior years' non-allowable deductions claimed this year

**24Q** ▶ \$ , , .

Non-allowable deductions carried forward (either add Boxes 24O and 24P, or subtract Box 24Q from 24P)

**24R** ▶ \$ , 1,500.00

**Note**

For Manu, limiting the deductions has the effect of treating her share of the deductions as \$3,000. When this amount is allowed against her share of the gross income (\$3,000) the result is \$0.00, the amount of the adjusted LTC income.

Manu's IR3 Question 19 would look like this:

19 Did you receive any **look-through company (LTC) income**? Exclude

No  Go to Question 20

Yes  Print the totals here

Total LTC tax credits

**19A** ▶ \$     ,     ,     .

Total active LTC income - if this amount is a loss, put a minus sign in the last

**19B** ▶ \$     ,

Non-allowable deductions this year

**19C** ▶ \$     ,

Prior years' non-allowable deductions

**19D** ▶ \$     ,

Either add Boxes 19B and 19C or subtract Box 19D from  
Print your answer in Box 19E.

## Question 25 Additional disclosure of foreign investments

If the partnership or LTC has an interest in an FIF or CFC, the partners or owner(s) may be required to complete an additional disclosure form for their investments.

Full details of the disclosure requirements are available in the May issue of our *Tax Information Bulletin (TIB)* each year.

FIF and CFC disclosure forms are available on our website [www.ird.govt.nz](http://www.ird.govt.nz)



le any income/loss shown at Questions 13, 14, 15, 17, 22 and 24.

ere. See page 25 in the guide.

t box.

1,000.00 -

1,000.00

claimed this year

, .

Adjusted LTC income

19B. **19E** ▶ \$ , , 0.00

## ACC levies

The amount liable for ACC levies is based on the partners' or owners' share of the partnership or LTC income derived from personal effort (ie, "active") declared in the individual partners' or owners' IR3 income tax returns.

### Partners' or owners' wages

Regular salaries or wages paid by the partnership or LTC to partners or owners have already had earners' levy accounted for in PAYE withheld. ACC will invoice the partnership or LTC for other levies.

### For more information

If you have any questions about ACC or levies, please go to ACC's website [www.acc.co.nz/productslevies](http://www.acc.co.nz/productslevies) or contact the ACC Business Service Centre.

Phone 0800 222 776

Email [business@acc.co.nz](mailto:business@acc.co.nz)

# Services you may need

## Need to speak with us?

Have your IRD number ready and call us on one of these numbers:

General tax, tax credits and refunds	0800 775 247
Employer enquiries	0800 377 772
General business tax	0800 377 774
Overdue returns and payments	0800 377 771

Our contact centre hours are 8 am to 8 pm Monday to Friday, and Saturday between 9 am and 1 pm. We record all calls. Our self-service lines are open at all times and offer a range of automated options, especially if you're enrolled with voice ID.

For more information go to [www.ird.govt.nz/contact-us](http://www.ird.govt.nz/contact-us)

## Privacy

Meeting your tax obligations means giving us accurate information so we can assess your liabilities or your entitlements under the Acts we administer. We may charge penalties if you don't.

We may also exchange information about you with:

- some government agencies
- another country, if we have an information supply agreement with them
- Statistics New Zealand (for statistical purposes only).

If you ask to see the personal information we hold about you, we'll show you and correct any errors, unless we have a lawful reason not to. Call us on 0800 775 247 for more information. For full details of our privacy policy go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keyword: privacy).

## If you have a complaint about our service

We're committed to providing you with a quality service. If there's a problem, we'd like to know about it and have the chance to fix it. You can call the staff member you've been dealing with or, if you're not satisfied, ask to speak with their team leader/manager. If your complaint is still unresolved, you can contact our Complaints Management Service. For more information, go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keyword: complaints) or call us on 0800 274 138 between 8 am and 5 pm weekdays.

If you disagree with how we've assessed your tax, you may need to follow a formal disputes process. For more information, read our factsheet *If you disagree with an assessment (IR778)*.

