



**Inland Revenue**  
Te Tari Taake

IR 8G  
March 2014

# Māori authorities' tax return/Annual Māori authority credit account return guide 2014

Complete and send us your IR 8 and IR 8J return by 7 July 2014, unless you have an extension of time to file. Read page 6 of this guide.



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Go to our website for information, services and tools.

- **Secure online services (myIR)** – log in to file your EMS, IR 3 or GST return or registration; manage your student loan; view your account balances and transactions; view or update your personal or family details and income, request or confirm your PTS and send us secure mail.
- **Demonstrations** – view online demonstrations of some of the tasks you can complete using your myIR online service ID and password.
- **Get it done online** – complete and send us forms and returns, make payments, make an appointment to see us and give us feedback.
- **Work it out** – use our calculators, worksheets and tools to help you manage your tax business like checking your tax code, or your filing and payment dates.
- **Forms and guides** – download our guides, and print forms to post to us.

Some of our services now pre-fill your information, making it easier and faster to deal with us.

## 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 “Forms and guides”. 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.**

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## What is a Māori authority?

The following are eligible to be a Māori authority:

- (a) a company that is established by an order made under Te Ture Whenua Māori Act 1993 (Māori Land Act 1993)
- (b) the trustees of a trust that is established by an order made under Te Ture Whenua Māori Act 1993 (Māori Land Act 1993)
- (c) a company that owns land that is subject to Te Ture Whenua Māori Act 1993 (Māori Land Act 1993)
- (d) the trustees of a trust who own land that is subject to Te Ture Whenua Māori Act 1993 (Māori Land Act 1993)
- (e) the Māori Trustee in the Māori Trustee's capacity as an agent for an owner of land that is subject to Te Ture Whenua Māori Act 1993 (Māori Land Act 1993)
- (f) a Māori Trust Board, as defined in section 2 of the Māori Trust Boards Act 1955
- (g) the Crown Forestry Rental Trust, established by deed in accordance with section 34 of the Crown Forest Assets Act 1989
- (h) Te Ohu Kai Moana Trustee Limited, established in accordance with sections 31 to 33 of the Māori Fisheries Act 2004
- (i) Aotearoa Fisheries Limited, established in accordance with section 60 of the Māori Fisheries Act 2004
  - (ia) a company that is—
    - (i) established by a mandated iwi organisation to be an asset-holding company, as contemplated by section 12(1)(d) of the Māori Fisheries Act 2004
    - (ii) recognised by Te Ohu Kai Moana Trustee Limited as a mandated iwi organisation under section 13(1) of the Māori Fisheries Act 2004
  - (ib) the trustees of a trust that is recognised by Te Ohu Kai Moana Trustee Limited as a mandated iwi organisation under section 13(1) of the Māori Fisheries Act 2004
- (j) the trustees of the trusts that are established by Te Ohu Kai Moana Trustee Limited in accordance with sections 79 and 92 of the Māori Fisheries Act 2004

(k) a company that:

- (i) on behalf of Māori claimants, receives and manages assets that are transferred by the Crown as part of the settlement of a claim under the Treaty of Waitangi; and
- (ii) is contemplated by the Deed of Settlement of the claim as performing the functions referred to in subparagraph (i).

(l) the trustees of a trust who:

- (i) on behalf of Māori claimants, receive and manage assets that are transferred by the Crown as part of the settlement of a claim under the Treaty of Waitangi; and
- (ii) are contemplated by the Deed of Settlement of the claim as performing the functions referred to in subparagraph (i).

You can get more information from [www.ird.govt.nz](http://www.ird.govt.nz)

The term Māori authority does not include:

- an individual
- an unincorporated body (other than a trustee of a trust)
- a corporate body not subject to:
  - statutory restrictions or
  - government processes.

## Who has to file a return?

All entities that have elected to become a Māori authority for the 2013–14 income year must file a tax return each year, whether they've received income or not. If the authority hasn't received any income, please:

- fill in page 1 of the IR 8 return, and
- sign the declaration on page 6.

## Return due date

If the authority has a 31 March balance date you have until 7 July 2014 to send in the return, unless you've been granted an extension of time. If you have a balance date other than 31 March, this date may be different.

If you aren't sure call us on 0800 377 774 to check.

If the authority is the client of an agent you may have until 31 March 2015 to file the return. Contact your agent for more information.

## Annual Māori authority credit account return

Most entities that have elected to become a Māori authority for the 2013–14 income year must file an annual *Māori authority credit account return (IR 8J)*, including an FDP return, each year. The following bodies don't have to file a Māori authority credit account return:

- Māori authorities whose constitution prohibits distributions, and
- Māori authorities that derive exempt income.

### Note

Complete the *Annual Māori authority credit account return (IR 8J)* for the year 1 April 2013 to 31 March 2014 regardless of the authority's accounting year. This return is on page 5 of the IR 8 return, or available on [www.ird.govt.nz](http://www.ird.govt.nz) or by calling 0800 257 773.

## **FDP (foreign dividend payment) account return (IR 8D)**

All entities that have elected to become a Māori authority for the 2013–14 income year and have elected to maintain an FDP account must file an IR 8D. This return is also included on the IR 8J form.

### **Question 2 Māori authority name**

If the authority has changed its name since the last time a return was filed, please provide proof of the name change details so we can update our records.

### **Question 3 Postal address**

If the authority has a new postal address write the details at Question 3. If your new address is a PO Box number, please show your box lobby, if you have one. If you're unsure of your box lobby please contact New Zealand Post.

Leave this address panel blank if the authority uses its agent's postal address. The agent will let us know of any change of address when updating their client list.

### **Question 5 Bank account number**

The fastest and safest way to get any refund is to have it direct credited to your bank account. If your bank account number isn't preprinted on the return, write it in Box 5.

#### **Note**

If your refund is less than \$5, it will be carried forward to your next tax assessment. We offset it against any amount you may owe us or add it to any refund.

## Question 6 Māori authority credit account

If you have made any monetary entries in the annual Māori authority credit account return, tick “yes” at Question 6. Page 5 of this return is the annual Māori authority credit account return.

## Question 7 Has the authority ceased?

If the authority has ceased, include a set of accounts to the date the authority ceased trading and include any distribution of assets and liabilities. If the authority is registered for GST, or as an employer, you'll need to complete a *Business cessation (IR 315)* form to finalise your records.

## Question 8 Income

Show the following amounts:

- gross interest in Box 8
- gross dividends in Box 8A
- taxable Māori authority distributions in Box 8B
- net income from rents (rents after expenses) in Box 8C.

Attach a breakdown of gross rents and expenses to show how the net rents were worked out. You may use an IR 3R form.

### Taxable Māori authority distributions

There are various types of distributions that can be made from Māori authorities. You are only required to declare taxable Māori authority distributions made from gross income that Māori authorities earned during the 2004–05 income year or subsequent income years.

Fill in Box 8B if you received any taxable Māori authority distributions between 1 April 2013 and 31 March 2014. The Māori authority that paid you the distribution sends you a Māori authority distribution statement.

### Credits attached to distributions

The authority may attach a credit to the distribution it makes to members. This credit will be classified as a Māori authority credit and is part of the tax the authority has already paid on its profits so 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.

These amounts, not including any non-taxable distributions, will need to be transferred to the relevant boxes as follows:

- Taxable Māori authority distributions should be shown in Box 8B.
- Māori authority credits should be included in Box 9G.

### Example

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

Authorities that are liable (as members) for filing an IR 8 return of income would show the following information in their return:

Box 8B – \$1,000 (made up of \$825 + \$175)

Box 9G – \$175 (included with other tax credits)

## Non-taxable distributions

Any other distributions received from a Māori authority, which aren't taxable in the hands of a Māori authority member, don't need to be included in the IR 8 return. These amounts are classed as non-taxable distributions and can't have credits attached.

## Interest on broken term deposits

If you've broken a term deposit during the year, there may be "negative interest" to account for. This is interest repaid on term deposits. This may reduce the amount of interest to declare on the tax 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 RWT certificate (IR 15 or equivalent statement).

Deduct the allowable negative interest component using the worksheet below before entering the gross amount at Box 8 of the tax return. In all other cases the negative interest is deductible in a later tax return when the term deposit matures.

### Worksheet

Copy your gross interest from your RWT certificate to Box 1.

1  \$  .

Print any negative interest you have paid in Box 2.

2  \$  .

Subtract Box 2 from Box 1 and print the answer in Box 3. Copy this amount to Box 8 of your tax return.

3  \$  .

### Interest paid and charged by Inland Revenue

Include any interest paid by us in Box 8. If we pay interest include this in the return for the income year you received it. If you paid interest, include it in the return for the year it is paid. (Only offset interest paid in Box 8 if it hasn't been claimed as a deduction in your accounts.)

If the overall interest is a loss, put a minus sign in the last box at Box 8.

### RWT withheld

Any RWT withheld should be shown in Box 9E.

If the overall interest is a negative amount, print the total in Box 8 and put a minus sign in the last box.

### Box 8D Net income

This is the amount of business income that the authority earned after deducting the allowable business expenses. If the authority made a loss, put a minus sign in the last box.

If expenses are deductible against income declared in Box 8 or 8A, claim them at Box 8G. Attach either:

- a fully completed *Financial statement summary (IR 10)* form, or
- a set of the authority's financial accounts.

### Note

The *Financial statement summary (IR 10)* is a short form of the financial statements of a business. Use an IR 10 and speed up processing of the return. We don't need a set of accounts if you use an IR 10.

You still need to complete a set of financial accounts and keep them in case we ask for them later. For help with filling out the IR 10, please see our IR 10 guide.

## Box 8E Other income

Show any other income received by the authority at Box 8E.

If you received income from overseas, such as interest, a foreign investment fund (FIF) or a controlled foreign company (CFC), convert your income to New Zealand dollars and show it at Box 8E. If your overseas income is from an FIF or a CFC you may need to file an additional disclosure. Read the notes to Question 13 on page 23.

### Overseas income

You can convert all overseas income and tax credits to New Zealand dollars by:

- using the rates table available on [www.ird.govt.nz](http://www.ird.govt.nz) (keywords: overseas currencies)
- using the mid-month conversion rates in our leaflet *Conversion of overseas income to New Zealand currency (IR 270)*
- contacting the overseas section of a trading bank and asking for the exchange rate for the day you received your overseas income.

If the income was received from a financial arrangement, refer to Determination G9A or G9B prescribed under section 90 of the Tax Administration Act 1994.

## FIF income

If at any time during the 2014 income year the Māori authority held rights such as shares, units or an entitlement to benefit in any foreign company, unit trust, superannuation scheme or life insurance policy, you may be required to calculate FIF income or loss. Generally, the company will use the new fair dividend rate to calculate FIF income.

The main exclusions from an interest in an FIF are:

- investments in certain Australian resident companies listed on approved indices on the Australian stock exchange, that maintain franking accounts
- 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
- a trustee of certain trusts who holds, at all times in the income year, FIFs with a total cost of \$50,000 or less.

Note that under the FIF rules, dividends received from overseas companies, except companies covered by the above exclusions, are not taxable separately. Generally, the authority would use the default FIF income calculation method, called the fair dividend rate, which doesn't tax dividends separately. However, the foreign tax deducted from the dividend can be claimed as a credit against the tax payable on the calculated FIF income.

## CFC income and losses

If you have an interest in a CFC, you must calculate any attributed income or loss from that interest.

There are rules for calculating income or losses from a CFC. Entities with balance dates from 30 June to 30 September are required to apply these rules from the beginning of the 2010 income year. All other entities are required to apply the rules from the beginning of the 2011 income year.

Losses from a CFC can't be used to offset domestic income or be included in domestic losses that are being carried forward to the 2015 tax year. Generally, such losses can only offset income or future income from CFCs that are resident in the same country as the CFC that incurred the loss.

When CFC income or losses are calculated under these rules there are transitional rules that apply to the use of carried forward losses incurred under the old rules.

Further information on the taxation of interests in CFCs is available at [www.ird.govt.nz/toii/cfc](http://www.ird.govt.nz/toii/cfc) and in our *Tax Information Bulletins* (TIBs)—see the online index for relevant issues.

## Investments in portfolio investment entities (PIEs)

Certain PIEs attribute their net income/loss and tax credits they derive across their investors. Investors that are Māori authorities include the attributed income or loss in their tax return.

Each year the PIE is required to provide an investor statement setting out the details of the income/loss attributed to the investor for the year. The statement also shows the various types of tax credits associated with the income attributed.

These tax credits are subject to the tax credit limits calculated in relation to the tax on the attributed PIE income.

The attributed PIE income/loss is included in the authority's return for the period that includes the end of the PIE's income year. Generally, PIEs will have a 31 March balance date. The amount of income derived by the authority as a distribution by a PIE is excluded income of the authority other than fully imputed dividends from a PIE that is a listed company. Refer to our website [www.ird.govt.nz](http://www.ird.govt.nz) (keyword: PIE).

## Australian dividends

Australian companies can pass on credit for tax paid in New Zealand to their shareholders if they maintain a New Zealand imputation credit account.

If an Australian company which you hold shares in has elected to maintain a New Zealand imputation credit account, you may see a "New Zealand imputation credit" on your dividend statement.

### Note

This **does not** mean:

- Australian imputed or franking credits can now be claimed
- dividends from certain Australian companies, not covered by the FIF Australian exemption, will not be included in the return because the dividend income will be covered by the calculation of FIF income.

## Box 8I Donations to Māori associations or donee organisations

The authority can claim a deduction for any donations it makes to a Māori association within the meaning of the Māori Community Development Act 1962. A Māori association includes a Māori committee, a Māori executive committee, a district Māori council and the New Zealand Māori Council. The authority may also claim a deduction for any donations it makes to any society, institution, organisation or trust that has approved donee status, eg, kohanga reo and Māori health boards. You can view a complete list of approved donee organisations at [www.ird.govt.nz](http://www.ird.govt.nz) or call 0800 377 774 for assistance.

The deduction for donations can't be more than the authority's income after expenses (before the donation deduction is taken into account). Use the following steps to determine the donation deduction.

- If the answer in Box 8H is a loss, print nil in Box 8I.
- If the donations made by the authority exceed Box 8H, copy the amount in Box 8H to Box 8I.
- If donations made by the authority don't exceed Box 8H, print the amount of the donations in Box 8I.

## Box 8K Losses brought forward

If the authority is bringing forward losses from previous years, show the total in Box 8K.

## Question 9 Tax calculation

### Tax calculation details

Use the steps shown on the return to work out the authority's tax payable. The tax rate for Māori authorities is 17.5 cents in the dollar. This applies to any taxable income shown at Box 8L.

### Box 9D

If the imputation credit at Box 9C is greater than the amount at Box 9B, the authority will have to convert the difference to a loss to carry forward, rather than claiming it as a tax credit. Divide the difference between Box 9B and Box 9C by 0.175. This will give you the amount to carry forward as a loss to the authority's 2015 tax return.

## Question 10 Refunds and/or transfers

If you're entitled to a refund you can:

- transfer it to arrears that are being paid off
- transfer all or part of it to your 2015 provisional tax
- have it direct credited to a bank or other deposit account, eg, a building society account.

If you've made payments towards your 2015 provisional tax and, after completing this return, find you have less or no provisional tax to pay, the overpayment can be included in the amount we refund or transfer. Print the overpaid amount in Box 10A.

### Transfers

If you'd like your refund ("the credit") transferred to another account or to arrears you're paying off by an instalment arrangement, you'll need to tell us what date you'd like it transferred. The date you choose depends on what tax has been overpaid and whose account you want the credit transferred to.

If the transfer is to arrears being paid off through an instalment arrangement, you'll need to include a note with your return, authorising the transfer. Please clearly state:

- that the transfer is to arrears currently under an instalment arrangement
- the name and IRD number of the taxpayer the transfer should be made to
- whether the taxpayer is an "associated taxpayer"
- the tax type period
- the date you'd like the transfer to take place.

### Associated taxpayers

When transferring overpaid tax, "associated taxpayers" means a:

- company you're a shareholder-employee in
- partner in the same partnership
- relative (eg, child, parent, spouse, or partner)
- trustee of a family trust you're a beneficiary of.

You can ask for your credit to be transferred at any date as long as it's not before the relevant date shown below.

### Transfer date

For credit transferred:

- **to your account/an associated person's account**

If the credit is from excess tax deducted (eg, PAYE deducted) it's the day after your balance date (or 1 April if your balance date is before 31 March). If the credit is from overpaid provisional tax it's the day you overpaid it.

- **to a non-associated person's account**

It's the later of:

- the day you requested the transfer, or
- the day after you file your return.

## Future transfer dates

If you'd like your credit transferred at a date in the future, attach a note to the front of your return with details of the:

- amount you want transferred
- account you want it transferred to, and if it's the account of an associated person
- date you'd like it transferred.

If you don't tell us the date you'd like your credit transferred, we'll transfer it at a date we think gives you the greatest advantage. Contact us if you'd like to change the transfer date and tell us if this transfer is to cover a debt.

## Direct credit

See page 7 for more information on how to have your refund direct credited to your bank account.

## Question 11 Initial provisional tax liability

A Māori authority has an initial provisional tax liability for a tax year if it:

- starts to derive income from a taxable activity in the tax year, and
- had not derived income from a taxable activity within the preceding four years, and
- had residual income tax (RIT) of more than \$2,500 for the tax year.

If a Māori authority meets the above criteria it will have an initial provisional tax liability and interest will be calculated. Interest can be reduced by making voluntary payments.

## Interest rules for an initial provisional tax liability

You may be charged interest from the first, second or third instalment date, if you have an initial provisional tax liability.

The instalment date that interest applies from is determined by the taxable activity start date.

More information about your initial provisional tax liability and the dates that interest applies from is available in our guide *Provisional tax (IR 289)*.

There are special rules about how interest is calculated when an authority has an initial provisional tax liability and has changed its balance date. For further information please refer to our *Tax Information Bulletin (TIB)* Vol 9, No 12 (November 1997).

## Question 12 2015 provisional tax

2015 provisional tax is charged for income the authority will earn in the 2015 income year. It's generally payable in two, three or six instalments. There are three options for calculating provisional tax—standard, estimation and ratio.

If the Māori authority's 2014 RIT is:

- \$2,500 or less it doesn't have to pay provisional tax, but it can make voluntary payments
- more than \$2,500 but expected to be \$2,500 or less for 2015, it may estimate 2015 provisional tax at nil
- more than \$2,500 and expected to be more than \$2,500 for 2015, it must pay 2015 provisional tax using one of the payment options.

## Standard option

If you use this option, write S in Box 12 of the return and the amount of 2015 provisional tax in Box 12A. 2015 provisional tax is the 2014 RIT plus 5%.

If the authority's 2014 return hasn't been filed by the first instalment of 2015 provisional tax, the provisional tax is the 2013 RIT plus 10%.

### Use this worksheet to calculate your 2015 provisional tax using the standard option (S)

Copy your RIT from Box 9H on page 3 of your return to Box 1.

1 ▶ \$  :

Multiply Box 1 by 0.05 (5%). Print your answer in Box 2.

2 ▶ \$  :

Add Box 2 to Box 1.  
Print your answer in Box 3.

3 ▶ \$  :  00

Box 3 is your 2015 provisional tax.

**Copy it to Box 12A of your return and print S in Box 12.**

Divide the amount in Box 3 by three to get the amount you must pay for each instalment.

If you're filing your return after 28 August 2014 your instalment amounts may be different. Please read our guide *Provisional tax (IR 289)*.

## Estimation option

Māori authorities can estimate their 2015 provisional tax. They can re-estimate any number of times up to their third instalment due date. If the authority's 2015 RIT is expected to be less than the 2014 tax, estimating may prevent the authority from paying more than it has to.

**Note**

An estimate must be “fair and reasonable” at each instalment it applies to. Read the notes on the next page about the not taking reasonable care penalty if you use the estimation option.

If the authority estimates its provisional tax, write “E” in Box 12 and the amount of 2015 provisional tax in Box 12A.

If you estimate your provisional tax your instalments should be one-third of your estimation.

If you're using the ratio option and select E at Box 12 this will mean that you're electing to stop using the ratio option.

**Use this worksheet to calculate your 2015 provisional tax using the estimation option (E)**

Print your estimated 2015 taxable income in Box 1. **1** ▶ \$

Multiply Box 1 by 0.175 (17.5%) to work out the tax. Print your answer in Box 2. **2** ▶ \$

Print your estimated 2015 credits, such as RWT on interest, in Box 3. **3** ▶ \$

Subtract Box 3 from Box 2. Print your answer in Box 4. **4** ▶ \$

Box 4 is your estimated 2015 provisional tax.

**Copy it to Box 12A of your return and print E in Box 12.**

Divide the amount in Box 4 by three to get the amount you must pay for each instalment.

## Ratio option

If you're GST-registered you may qualify to use the ratio option to calculate your provisional tax.

Only enter “R” at Box 12 if you've already elected to use the ratio option. Your application to use the ratio option must be made by phone or in writing before the beginning of the income year you wish to use it in.

If you've already elected to use the ratio option and want to continue using it, enter R at Box 12.

More information about the ratio option is available in our guide *Provisional tax (IR 289)*.

## GST ratio method for 2014–15 year

Your ratio percentage is calculated by dividing your 2014 RIT by your total GST taxable supplies for the same year.

## Not taking reasonable care penalty

When you estimate the authority's 2015 provisional tax, your estimate must be fair and reasonable. If the 2015 RIT is greater than the provisional tax paid, you may be liable for a not taking reasonable care penalty of 20% of the underpaid provisional tax.

## Interest

Generally, if the authority has paid too much provisional tax, we pay interest, or if it has not paid enough provisional tax, we charge interest.

Interest the authority pays is tax deductible, while interest we pay is taxable income.

## Payment dates

### 2015 provisional tax

Generally, an authority with a 31 March balance date pays provisional tax by the following due dates:

|                   |                 |
|-------------------|-----------------|
| First instalment  | 28 August 2014  |
| Second instalment | 15 January 2015 |
| Third instalment  | 7 May 2015      |

If the balance date is other than 31 March the authority pays provisional tax on the 28th day of the 5th, 9th and 13th months after the balance date.

There are two exceptions:

- if tax would be due on 28 December it's due on 15 January
- if it would be due on 28 April it's due on 7 May.

These dates will alter if the authority is registered for GST and:

- the GST filing frequency is six-monthly, or
- provisional tax is paid through the ratio option.

If either of these situations apply to you, please read our guide *Provisional tax (IR 289)*.

## How to make payments

You can make payments:

- electronically
- by credit or debit card
- by posting a cheque
- by using the drop box at Inland Revenue offices.

Electronic payments are made through your bank by:

- online banking
- automatic payment
- direct credit

When making electronic payments, include:

- your IRD number
- a tax type code
- the period the payment relates to

For full details on payment options go to **[www.ird.govt.nz](http://www.ird.govt.nz)** (keywords: making payments) or read our guide *Making payments (IR 584)*.

### Paying online by credit or debit card

You can also make all your online payments by credit or debit card. Westpac New Zealand charges a 1.42% convenience fee for each transaction. You won't have to pay this fee if you're making payments from overseas for a student loan or non-custodial child support.

For full details on paying online go to **[www.ird.govt.nz](http://www.ird.govt.nz)** and select "Make a payment" or read our guide *Making payments (IR 584)*.

### Late payment

We will charge you interest if you don't make your tax payment by the due date. We may also charge you a late payment penalty if you miss a payment. If you have a good payment history with us we may contact you before we do this.

If your tax remains unpaid, we'll charge an initial 1% late payment penalty on the day after the due date. We'll charge a further 4% penalty if there's still an amount of unpaid tax (including penalties) seven days after the due date.

Every month the amount owing remains unpaid after the due date we'll charge a further 1% incremental penalty. Interest and late payment penalties are not charged on outstanding amounts of \$100 or less.

For information about child support penalties, please go to our website or call 0800 221 221.

## Arrangements

If you're unable to pay your tax by the due date, please call us. We'll look at your payment options, which may include an instalment arrangement, depending on your circumstances. Arrangements can be agreed on, before or after the due date for payment. There are greater reductions in the penalties charged if the arrangement is made before the due date. You can send us an instalment arrangement proposal online. Go to [www.ird.govt.nz](http://www.ird.govt.nz) (keyword: arrangement).

## For more help

See our guide *Penalties and interest (IR 240)*.

## Amounts of \$100 or less

Interest and late payment penalties aren't charged on outstanding amounts of \$100 or less. Any unpaid tax of more than \$100 (including any late payment penalties) will have interest added to it. Generally, payments the authority makes will first be credited against any interest due. If the authority overpays its tax by more than \$100, we may pay interest.

## Question 13 Foreign rights

If you calculated CFC or FIF income at Box 8E, you may be required to complete an additional disclosure form for that investment.

If you have an income interest of 10% or more in a foreign company, you must file an additional disclosure for that investment.

If you need assistance making a CFC disclosure please call 0800 377 774 to get the appropriate disclosure form. Full details of the disclosure requirements are set out in the annual international tax disclosure exemption available from [www.ird.govt.nz](http://www.ird.govt.nz).

## Annual Māori authority credit account return (applies to IR 8 and IR 8J)

The annual Māori authority credit account return must be completed for the period 1 April 2013 to 31 March 2014, regardless of your accounting year.

### Opening balance

This is the same as the closing balance for 2013. Tick either credit or debit. New authorities will not have a closing balance to bring forward—they should write 0.00 in the box.

## Credits

### Income tax paid

#### Note

Changes to the international tax rules mean that FDP will not be payable on foreign dividends received by Māori authorities. The changes apply from the 2010 income year if the Māori authority has a balance date between 30 June and 30 September (inclusive). They apply to all other Māori authorities from the 2011 income year.

Include all payments of New Zealand income tax and provisional tax made from 1 April 2013 to 31 March 2014 that were for 2005 and subsequent income years. Don't include any FBT, ESCT, interest on tax, late payment penalties, imputation penalty tax or RWT.

### FDP made

Include any FDP made between 1 April 2013 and 31 March 2014 while the authority had not elected to maintain an FDP account. Leave blank if the authority maintained an FDP account for the full year 1 April 2013 to 31 March 2014.

## **RWT on interest received**

If the authority received interest with RWT deducted between 1 April 2013 and 31 March 2014, write the total RWT in the box.

## **Imputation/Māori authority credits and FDP credits attached to dividends/distributions received**

If the authority received dividends/distributions with imputation credits/Māori authority credits or FDP credits attached between 1 April 2013 and 31 March 2014, while it had not elected to maintain an FDP account, write the total credits in the box.

Include in Box 21B on the IR 8D any FDP credits attached to dividends received while the authority maintained an FDP account.

## **Other credits**

List any other credits made to the Māori authority credit account from 1 April 2013 to 31 March 2014. Use a separate sheet of paper if there isn't enough room and attach it to the top of page 5 of the return. Write the total in the box. Examples of other types of credits are:

- RWT on dividends received
- provisional tax allocated to the authority by an authority in the same group that has overpaid its provisional tax.

## **Debits**

### **Income tax refunded**

Write in the box the authority's total income tax refunds received from 1 April 2013 to 31 March 2014 for 2005 and subsequent income years. Don't include any interest on tax received or income tax refunded for any year before 2005.

### **FDP refunds**

In the box, include FDP refunded between 1 April 2013 and 31 March 2014 while the authority had not elected to maintain an FDP account. If the authority received any refunds while operating an FDP account, include these in Box 22B on the IR 8D.

## Māori authority credits attached to distributions paid

If the authority paid distributions from 1 April 2013 to 31 March 2014 with Māori authority credits attached, write the total credits in the box.

## Other debits

List any other debits in the Māori authority credit account and write the total in the box. Examples of other types of debits are:

- any provisional tax allocated by the authority to an authority in the same group that has underpaid its provisional tax
- an adjustment for a change in a Māori authority credit ratio.

## Māori authority distribution penalty tax

If the closing balance is a credit, there is nothing to pay. If the closing balance is a debit, it must be paid by **20 June 2014**.

Penalty tax of 10% of the debit closing balance is also payable by that date. Work out the 10% penalty. If it exceeds \$100 and isn't paid by 20 June 2014, late payment penalties will apply. For every month the amount remains unpaid, a further incremental penalty will also apply. We'll also charge interest on any outstanding amounts.

## FDP account return (applies to IR 8D and IR 8J)

### Note

Changes to the international tax rules affect the operation of FDP accounts. The changes apply from the 2010 income year if the Māori authority has a balance date between 30 June and 30 September (inclusive). They apply to all other Māori authorities from the 2011 income year. See *Tax Information Bulletin (TIB)* Vol 21, No 8 October–November 2009 for more information.

Complete the return only if the authority has elected to keep an FDP account.

### Opening balance

This is the same as the closing balance at 31 March 2013. Tick either “Credit” or “Debit” under Box 20. New Māori authorities will not have a closing balance to bring forward—they should write “0.00” in Box 20 of the IR 8D.

### Credits

#### FDP paid

In Box 21A of the IR 8D, write the total FDP paid during the year. If the Maori authority elected to maintain an FDP account part-way through the year, include only the payments made after the election.

#### FDP credits attached to dividends received

If the Māori authority received dividends with FDP credits attached, write the total credits in Box 21B of the IR 8D. If the Māori authority elected to maintain an FDP account part-way through the year, include only the credits received after the election.

## Debits

### FDP credits attached to dividends paid

In Box 22A of the IR 8D, write the total FDP credits attached to dividends the Māori authority paid to its shareholders.

### FDP refunded

In Box 22B of the IR 8D, write the total amount of FDP refunded to the Māori authority during the year.

### FDP made

Include any FDP made between 1 April 2013 and 31 March 2014 while the authority had not elected to maintain an FDP account. Leave blank if the authority maintained an FDP account for the full year 1 April 2013 to 31 March 2014.

### Other debits

List any other debits and write the total in Box 22C of the IR 8D.

Examples of other types of debits are an adjustment:

- for an FDP ratio change
- for a change in shareholding of more than 34%.

### Closing balance

Where the Māori authority has a credit closing balance after transfers to the Māori authority credit account, the credit balance is carried forward to the next tax year to be the opening balance. Alternatively, if the Māori authority has a loss, it may apply for a refund of all, or part of, the credit closing balance of payments made by reducing any income tax loss it has incurred.

### Imputation penalty tax

If the closing balance is a debit, it must be paid by **20 June 2014**. Imputation penalty tax of 10% of the debit closing balance is also payable by that date. Work out the 10% penalty in Box 24. If the total in Box 24A exceeds \$100 and is not paid by 20 June 2014, late payment penalties and interest will apply. For further details read our guide *Penalties and interest (IR 240)*.

## Self-assessment by taxpayers

Taxpayers have to assess their own liability as part of their return filing obligations. We may amend your assessment if a correction is required.

If you dispute our assessment please read our factsheet *If you disagree with an assessment (IR 778)*. The four-month period for you to issue a notice of proposed adjustment (NOPA) to your self-assessment will start on the date Inland Revenue receives your return.

## 0800 self-service numbers

This service is available seven days a week (any time, except between 5 am and 6 am) for a range of self-service options. Remember to have your IRD number with you when you call.

For access to individuals' personal information, such as account balances, you'll need to be enrolled for voice ID or have a personal identification number (PIN). You can enrol for voice ID by calling 0800 257 843 and reset an existing PIN by calling 0800 257 777.

|                        |              |
|------------------------|--------------|
| Order forms and guides | 0800 257 773 |
| Request a taxpack      | 0800 257 772 |
| All other services     | 0800 257 777 |

When you call our self-service numbers, we'll ask you to say why you're calling. Our speech recognition system will then direct you to a self-service line where you can get the information you want. If you need to talk to us, your call will go direct to an advisor who has the specific information to help you.

## Need to talk to us?

You can call us on these numbers:

|                                      |              |
|--------------------------------------|--------------|
| General tax, tax credits and refunds | 0800 227 774 |
| Employer enquiries                   | 0800 377 772 |
| General business tax                 | 0800 377 774 |
| Overdue returns and payments         | 0800 377 771 |

We're here to take your call between 8 am and 8 pm Monday to Friday and Saturday between 9 am and 1 pm (excluding child support calls). If you have an IRD number, remember to have it with you when you call.

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

## Customer service quality monitoring

As part of our commitment to providing you with a quality service, we may record phone calls to and from our contact centres. Find out more about this policy or how to access your recorded information at [www.ird.govt.nz](http://www.ird.govt.nz) (keywords: call recording).

## 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 377 774 for more information. For full details of our privacy policy go to [www.ird.govt.nz](http://www.ird.govt.nz) (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** (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 (IR 778)*.



New Zealand Government