Tax agents' guide for migrants and returning New Zealanders

Helping your clients with international tax
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This guide helps tax agents advise clients about the New Zealand tax system and tax on international income, eg, from businesses, trusts and pensions. Tax agents specialising in these areas can give more detailed advice.

This guide covers:
- self-assessment
- qualifying for New Zealand tax residency
- transitional tax residency and the temporary tax exemption
- taxing foreign income
- dual tax residency
- international tax agreements
- which country to pay tax in.

There are other resources on our website www.ird.govt.nz that you may find useful:

- Transitional residency flow chart (IR1028) (search keyword: IR1028)
- Overseas income questionnaire (IR995) (search keyword: IR995)
- Top 10 facts on international tax (search keywords: Top 10)

International tax laws are complex and the way they're applied can depend on taxpayers’ specific circumstances and the different jurisdictions involved. This guide gives you an overview of how New Zealand taxes overseas income and assets. You can find more detailed information on our website www.ird.govt.nz/international or contact a tax agent who specialises in international tax.

The information in this guide is current at the time of publishing, but you should be aware that international tax laws are subject to change, which can affect existing arrangements.
How New Zealand’s tax system works

New Zealand operates a self-assessment system.

Individuals (tax residents) need to understand their financial affairs, then work out and pay the correct amount of tax. Many of them do this with the help of a tax agent.

After we receive a return (your client’s self-assessment), we’ll issue a notice of assessment based on the information they’ve provided. In some instances we may request confirmation of details.

The payment date for income tax may vary based on a number of factors. Your clients can use our tax due date calculator to work out the dates for payment by going to www.ird.govt.nz (search keywords: tax due).

The New Zealand tax year is from 1 April to 31 March of the following year. Clients with overseas income may need to apportion it to fit the New Zealand tax year. The alternative is applying for and receiving a non-standard balance date.

New Zealand tax residents who earn New Zealand or overseas income need to get an IRD number. Your clients may know this as a Tax Information Number (TIN) in other countries. They must determine if they have to file a tax return in New Zealand and pay tax on that income when it’s due.

FACT

New Zealand tax residents are generally taxed on their New Zealand and worldwide income.

Getting an IRD number

Complete an IRD number application - resident individual (IR595) at www.ird.govt.nz (search keyword: IR595)

“Overseas” and “foreign” income have the same meaning.
Determining New Zealand tax residency

Residency test

Migrants and returning New Zealanders can become New Zealand tax residents under either of these two tests:

- They've been in New Zealand for more than a total of 183 days in any 12-month period (part of a day counts as a whole day), or
- They have a “permanent place of abode” in New Zealand.

If a New Zealand tax resident is absent from New Zealand for a period of 325 days in any 12-month period they will become non-resident, unless they continue to satisfy the permanent place of abode test.

There are two exceptions to the day-count tests:

1. New Zealand tax residents who are absent from New Zealand for any length of time while serving the New Zealand Government will remain New Zealand tax residents.
2. A person employed under the recognised seasonal employer scheme will not become a New Zealand tax resident under the 183-day test. They’ll only have to pay tax on their New Zealand income.

Tax residency

Determining a migrant’s or returning New Zealander’s tax residency is critical. The Interpretation Statement about tax residence on our website www.ird.govt.nz (search keywords: residency interpretation statement) will help you determine your client’s tax residency. Read our New Zealand tax residence (IR292) guide for full details.
Transitional tax residency

A temporary tax exemption for certain foreign income starts on the first day of New Zealand tax residency.

Migrants and returning New Zealanders may qualify for a four-year period of transitional tax residency, giving them a tax exemption on certain foreign income.

Transitional residency test

Migrants and returning New Zealanders may be entitled to a temporary tax exemption on certain foreign income if all the following conditions apply:

- they haven’t been resident (for tax purposes) in New Zealand for the last 10 years, and
- they qualified as a New Zealand tax resident on or after 1 April 2006, and
- they haven’t received the exemption before, and
- they or their partner have not applied for Working for Families Tax Credits.

We don’t formally advise migrants and returning New Zealanders about transitional residency or the exemption. Transitional residency is an important part of migrating or returning to New Zealand, especially if your clients have international tax affairs. To help you get it right use the Transitional residency flowchart (IR1028) on our website www.ird.govt.nz (search keyword: IR1028).

How it works

The temporary tax exemption for foreign income begins on the first day of New Zealand tax residency.

It ends 48 months after the month of qualifying as a tax resident.

183 days rule

The period between your client’s first day of presence for the 183-day test and the date they qualify as a New Zealand tax resident is also treated as an exempt period.
How you can help your clients

Establish when your client was considered to be a New Zealand tax resident under New Zealand domestic legislation. Use the residency test on page 3.

Establish your client’s exemption period for certain foreign-sourced income (eg, interest, dividends and royalties). They’ll still be liable for tax on New Zealand-sourced income, foreign employment income and foreign personal service income.

Make sure your client completes Question 9 of the IRD number application - resident individual (IR595). It will trigger a reminder letter when the exemption period ends.

Check whether your client or their partner has applied for Working for Families Tax Credits.

Check they haven’t notified us that they don’t want to be a transitional tax resident.

Transitional residents who are entitled to the exemption can’t claim expenses on exempt income, including foreign losses.

Ask your client if they’re a tax resident in another country. The exemption period starts even if they “tie break” to another country under an international tax agreement.

Check the relevant international tax agreement to establish which country has the right to tax your client.
How we tax foreign income

New Zealand tax residency determines how we tax New Zealand and foreign income.

**FACT**

Foreign income doesn’t need to be brought into New Zealand to be taxed here. Income that’s had withholding tax deducted, been deposited in offshore accounts, or left on a foreign credit card could still be taxable.

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**Dual tax residency**

It’s possible to be a tax resident in both New Zealand and another country and, if both countries tax their residents on worldwide income, be liable to pay tax in both countries. We avoid this situation by having international tax agreements with many other countries.

To make sure taxpayers aren’t taxed twice on the same income, our international tax agreements:

- determine which country has the right to tax specific income types, or
- allow for a tax credit on taxes paid offshore.

An individual may be a tax resident in another country if they:

- receive overseas income - see page 9
- have any financial assets or liabilities in a country other than New Zealand - see page 12.

If this is the case, use the tax residency tools, guides or forms available in that country to establish whether your client may be tax resident in that country.

In the majority of cases, your client will be a New Zealand tax resident.

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**International tax agreements**

Tax agreements between two countries are intended to eliminate taxing the same income in two places. They reduce barriers to cross-border trade and investments and enable information exchanges.

Find out more about international tax agreements at [www.ird.govt.nz](http://www.ird.govt.nz) (search keyword: DTA).
Foreign tax credits

Tax withheld by another country, on income earned overseas, may be claimed as a foreign tax credit (FTC) in New Zealand as tax paid on that income.

A foreign tax credit may be available where the tax involved is of substantially the same nature as income tax. For more information please read our interpretation statements:

- IS 14/02 - Income tax - foreign tax credits - what is a tax of substantially the same nature as income tax imposed under sBB1, and
- IS 16/05 - Income tax - foreign tax credits - how to claim a foreign tax credit where the foreign tax paid is covered by a Double Tax Agreement

on our website [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: interpretation statements)

Foreign tax credit test

Where a double tax agreement (DTA) or tax information exchange agreement (TIEA) exists your client may be entitled to claim an FTC, as long as all of these conditions are met:

- they're tax resident in New Zealand, and
- they derived assessable income in New Zealand which is foreign sourced, and
- New Zealand and the source country have the right to tax the income under the relevant article of the DTA or TIEA.

Where a DTA or TIEA doesn't exist or if the tax paid offshore isn't covered by a DTA or TIEA, your client may still be entitled to claim an FTC as long as all of these conditions are met:

- they're a tax resident in New Zealand, and
- they derived assessable income in New Zealand which is foreign sourced, and
- they've paid tax overseas that is of "substantially the same nature" as New Zealand's income tax.

If your client answered "yes" to all questions in the test above, they may be able to claim an FTC, subject to the limitation rules below.

The FTC that can be claimed is limited to the lowest of these amounts:

- actual tax paid overseas, or
- New Zealand tax that would be paid on the same income, or
- the sum calculated using the rate set out in the relevant DTA or TIEA.
How you can help your clients

- Make sure you include your client’s non-exempt worldwide income on their income tax return.
- If your client can’t claim a tax credit in New Zealand, they may be able to claim a refund in the source country.
- If your client is entitled to claim a tax credit, verify if they received or will receive a refund for taxes paid offshore.

Find out more

For more information, check the QB 14/12: Income tax - foreign tax credits for amounts withheld from United Kingdom pensions on our website at www.ird.govt.nz (search keywords: QB 14/12).
Your clients' overseas income

Migrants and returning New Zealanders can have a wide range of overseas income and assets. You need to know about all of it so you can advise them about our tax rules and the right tax treatment.

Foreign superannuation (super) schemes are created outside New Zealand to provide retirement benefits to individuals. If your client was a New Zealand tax resident when they first joined or acquired a foreign super scheme, our foreign investment fund (FIF) rules apply. Generally, the FIF rules won’t apply to interests in foreign super schemes that are joined or acquired while the holder wasn’t a New Zealand resident.

If an interest in a foreign super scheme was acquired before the holder became a New Zealand resident, the holder will generally be taxed when:

• they actually receive an amount, eg, pension or lump sum, or
• an amount is transferred into a New Zealand or Australian super scheme, or
• an amount is transferred from one person to another, unless rollover relief is available.

Calculating tax on lump sums

Two methods of calculating income on lump sum withdrawals or transfers from foreign super schemes are available. The income calculated using either of these methods will then be taxed at the holder’s marginal tax rate.

1. **The schedule method (default)** is where a proportion of the amount withdrawn from a foreign super scheme will be considered income, based on the number of years the holder has been a New Zealand tax resident.

2. **The formula method** is an alternative to the schedule method that can be used if a foreign super scheme is a defined contribution scheme and certain other requirements are met. The method taxes the actual investment gains that have accrued to the holder’s scheme while they’ve been a New Zealand tax resident.

**Roll-over relief**

The FIF rules are not applicable where a fund is inherited from your spouse/partner/de-facto or transferred as part of a relationship agreement in the event of a relationship break-up. However, a lump sum transfer or withdrawal is taxed on a subsequent receipt.

If you purchase a foreign superannuation fund at the time you are a New Zealand resident, or you inherited a fund from anybody other than your partner, you need to apply the FIF rules and account for the income on an annual basis.

**Converting foreign currency**

All overseas income and expenditure, including foreign tax credits must be converted into New Zealand dollars. They must use the same conversion method for the whole tax year. Any payments made to a New Zealand bank account will have already been converted to New Zealand dollars.
Withdrawals or transfers of foreign superannuation may be considered as part of total taxable income for such things as:

- KiwiSaver
- Working for Families Tax Credits
- student loan obligations
- child support
- provisional tax.

For more information read our Tax rules for foreign superannuation lump sums (IR1024) factsheet which explains how to calculate tax on withdrawals.

These rules don’t apply to overseas pensions paid periodically. These will continue to be taxed at the marginal tax rate when they’re received.

### Foreign income

#### Overseas pensions

Most overseas pension payments are fully taxable in New Zealand.

Most foreign pension payments are taxed in full in New Zealand. These need to be included as before-tax (gross) income on an individual’s IR3 tax return. In a few cases, pensions may be taxable in the country which holds the taxing rights under an international tax agreement.

A social security pension is generally an income entitlement based on citizenship or residence and paid by the government or state of a particular country. Read our Overseas social security pensions (IR258) guide for details.

#### DTAs and pensions

We’ve developed an online resource that explains the tax treatment of overseas pensions under existing DTAs “How DTAs affect your overseas pension” go to our website www.ird.govt.nz (search keywords: DTA pensions).

#### Business or personal services

Gross income derived from the supply of services performed overseas must be included on an individual’s IR3 tax return. Income from business wholly or partly performed in New Zealand will also be taxed here.

#### Beneficiary income or trust distributions

Distributions from foreign trusts to a New Zealand resident beneficiary will generally be taxable, unless they represent realised capital gains or the corpus of the trust. The capital gains tax exemption doesn’t apply to gains derived from transactions with associated persons.

### The FIF rules

The taxation of FIF income can be complex. For comprehensive information about the FIF rules, go to our website www.ird.govt.nz (search keyword: FIF) or read A guide to foreign investment funds and the fair dividend rate (IR461).
Beneficiary distributions from estates

How the estate is classified will determine how distributions are taxed in New Zealand. An estate incorporated in the country of origin is considered a company. In most other circumstances an estate is considered to be a trust. If settled by a non-resident, it’s likely to be considered a foreign trust. Distributions from foreign trusts are taxable unless they’re a distribution of realised capital gains or the corpus of the estate.

The capital gains exemption doesn’t apply to the gains the foreign estate derives from transactions between associated persons.

Foreign employment income

Transitional tax residents must declare tax on foreign employment income in their Individual tax return (IR3).

FACT

Allowances that may be treated as tax-free in other countries are generally fully taxable in New Zealand.

How you can help your clients

- Establish details of all your client’s other assets held directly or indirectly offshore.
- Carefully consider/work out the nature of these investments and the New Zealand tax consequences. Does the relevant international tax agreement give New Zealand taxing rights on the income stream?
- Verify which rules govern the way the income is calculated in New Zealand. Calculate the income under the rules applicable in New Zealand.

Find out more

For more information read the following on our website at www.ird.govt.nz

- Overseas pensions and annuity schemes (IR257) guide
- Tax rules for foreign superannuation lump sums (IR1024)
- QB 14/12: Income tax - foreign tax credits for amounts withheld from United Kingdom pensions (search keywords: QB 14/12)
- Commissioner’s operational position on foreign tax credits for amounts withheld from United Kingdom pensions
- Double tax agreements (search keywords: DTA)
- Trusts’ and estates’ income tax rules (IR288)
- How DTAs affect your overseas pension (search keywords: DTA pensions)
- How DTAs affect your overseas income (search keywords: DTA overseas income)
Financial assets and liabilities

Your clients may have a wide range of financial interests they need to account for in their New Zealand tax returns.

Financial arrangement rules

Under the financial arrangement rules, gross income and allowable deductions are allocated to specific income years. Examples of financial arrangements include options, bonds, bank accounts or loan accounts. You may need to spread income from these over a period of time.

The rules also cover foreign currency accounts and loans, which means that any foreign exchange gain might be taxable before a repayment of the loan is made.

Offshore mortgages, overdrawn accounts or credit card debt

If your clients have a mortgage on an offshore property with an offshore bank, a loan with an offshore bank or an overdrawn account, they may have to deduct non-resident withholding tax (NRWT) from any interest payments. There are two exceptions:

- your client may not be required to deduct NRWT if interest is paid to an Australian financial institution which has a fixed establishment in New Zealand, or
- your client is registered as an approved issuer.

For full details read our NRWT - payer’s guide (IR291).

Approved issuer levy

Interest can be paid to a non-associated, non-resident lender at zero NRWT, by registering with us to become an approved issuer. The decision to pay approved issuer levy (AIL) can’t be retrospective. Issuers must register before the date the interest is paid. AIL is charged at 2% of the interest payment on securities registered with us. If your client paid AIL on interest that should have had NRWT deducted from it, you’ll need to tell us because the AIL rate is lower.

Non-resident withholding tax

The NRWT rate payable may not be so high if the mortgage is with a bank in a country that has an international agreement with New Zealand.
How you can help your clients

- Establish details of all your client’s offshore liabilities and get details of all interest payments before their transitional tax exemption ends.

- Carefully consider the requirement to account for NRWT and whether the client should register for AIL when the transitional tax exemption ends.

- Establish whether the client needs to apply the financial arrangement rules on a cash or accrual basis. Run the threshold test annually to ensure you apply the correct set of rules.

Find out more

For more information read the following on our website at www.ird.govt.nz

- NRWT - payer’s guide (IR291)
- QB 11/01: Residential investment property or properties in Australia owned by New Zealand resident - NRWT treatment of interest paid to Australian financial institution (search keywords: QB 11/01)
- Approved issuer levy (IR395) guide.
Entities and assets

Shares, companies, unit trusts and family trusts are examples of assets or entities that generate foreign income that could be taxed in New Zealand.

Shares or units in a foreign company

Generally, a company or unit trust incorporated offshore will be tax resident in New Zealand if it meets any one of these conditions:

- it’s incorporated in New Zealand, or
- its directors exercise control in New Zealand, or
- its centre of management is in New Zealand, or
- its head office is in New Zealand.

Companies not resident in New Zealand may have a branch or a “permanent establishment” in New Zealand. These companies are taxable in New Zealand on any income they derive from New Zealand.

Taxation of an interest in a foreign company

Dividends from shares or units in a foreign company will be taxed in New Zealand unless, the:

- shareholder(s) are a transitional residents, or
- the shares are covered by the FIF or CFC rules.

Foreign investment funds (FIF) and controlled foreign companies (CFC)

The FIF and CFC rules are part of New Zealand’s international tax laws which make sure that New Zealand tax residents pay tax on their overseas investments. The rules apply even if the investments were incorporated or bought before a resident arrived in New Zealand.

Offshore income earned by the FIF or CFC might be taxed in New Zealand even when the income is not brought into New Zealand.
**Family trusts**

In New Zealand, a trust’s tax treatment depends on where the settlor of the trust is a tax resident.

New Zealand has three types of trusts.

1. A **complying trust** is generally an ordinary New Zealand resident trust with New Zealand resident trustees and a New Zealand resident settlor.

2. A **foreign trust** is where the settlor was not resident in New Zealand between the time the trust was settled and the date of distribution. A foreign trust’s distribution isn’t taxable if it’s realised capital gain from transactions with non-associated persons, or payment from the corpus of the trust.

3. A **non-complying trust** is a trust that is neither a complying trust nor a foreign trust. An example is when a trust was a foreign trust but the settlor has become a New Zealand tax resident. The settlor might become liable to pay income tax on the trust’s worldwide income if the trust has non-resident trustees.

A trust doesn’t have residency status, but because it’s recognised as a New Zealand taxpayer, the trustee’s residency status usually applies.

**Partnership investments**

This income is taxable under New Zealand rules, even if it isn’t paid direct to an individual.

A partnership means two or more people who own assets and earn income together. Each partner contributes to the partnership or syndicate and, in return:

- shares in any profit or loss, and
- is liable for any debt in the partnership or syndicate.

The partnership itself doesn’t pay income tax on its profits. At the end of each year the net profit (without taking into account partners’ drawings) is distributed between each partner. They pay income tax on their share of the profit in their individual tax return, plus any other income they may have received.

The income may come under a transitional tax exemption, depending on the partnership’s type of income and investments.

**Rental property**

Rental income is liable for income tax and must be included in tax returns. This income could be from renting out land or buildings, or from having private boarders or flatmates living in the offshore property.

Deductions may be claimed for expenses relating to that income. Depreciation on buildings can’t be claimed as an expense. Credits may be claimed for tax paid on this income in other countries.

If the property has a mortgage on it, read the section “Financial assets and liabilities” on page 12.

**Accounts, bonds, notes or options**

Foreign currency accounts, loans, notes and options are subject to the financial arrangement rules which allocate income and deductions to specific income years. The financial arrangement rules include taxable foreign exchange gains and any deductible losses, together with any interest earned or claimed as an expense.

Currency gains might be taxable and currency losses might be deductible, even if the funds are still held offshore.
How you can help your clients

Establish details of all your client’s interests in entities held, incorporated or established (directly or indirectly) offshore.

Carefully consider the type of entities or investments and the potential New Zealand tax obligations.

Verify whether the entities are New Zealand tax residents and if they are, establish if the entities are also tax resident in another country.

Establish which rules apply to calculating the income. You may need to refer to the relevant international tax agreement.

Bank accounts or credit card accounts

Foreign income that’s paid into an offshore bank account or funds an offshore credit card, even if it’s had foreign withholding tax deducted, will still be taxed in New Zealand. Foreign credit interest payments are covered by the New Zealand NRWT (non-resident withholding tax) or AIL (approved issuer levy) rules - see page 12.

Beneficiary of a foreign life insurance policy

A foreign life insurance policy is an interest in a foreign investment fund (FIF) and the income needs to be accounted for annually.

Intellectual property rights

Royalties or licence fees are taxable in New Zealand.

Find out more

For more information read the following on our website at www.ird.govt.nz

- Rental income (IR264) guide
- A guide to foreign investment funds and the fair dividend rate (IR461)
- Multinational enterprises compliance focus (IR1106)
- Interest in a foreign company disclosure schedule (IR477)
- Interest in a foreign company disclosure schedule (for Schedule 3, Part A countries) (IR479)
- NRWT - payer’s guide (IR291)
- The current International tax disclosure exemption ITR (search keywords: section 61)
Double tax agreements

New Zealand has international tax agreements with many other countries and territories. These agreements determine which country has the first or sole right to tax specific types of income. In some cases a double tax agreement (DTA) or Tax Information Exchange Agreement (TIEA) may apportion the taxing rights to both countries.

Each international tax agreement is negotiated separately and may tax income differently. It’s important to check the terms of the relevant agreement to make sure the right amount of foreign tax credits are claimed in New Zealand tax returns.

Double tax agreements (DTAs) are a way of ensuring that taxpayers who have tax residency in more than one country don’t get taxed twice on the same worldwide income.

Find out more

Go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: DTA) for a list of countries New Zealand has agreements with.

How you can help your clients

- Find out what income your client has received.
- Find out the source country.
- Refer to the international tax agreement between New Zealand and the source country.
- Determine whether New Zealand has a right to tax the income.
- If New Zealand has a right to tax the income, can they claim foreign tax credits?
- Convert the foreign income to New Zealand dollars.
International obligations

Your obligations when opening a financial account (such as a bank account)

New global information sharing obligations have been introduced that may affect your tax obligations. These changes mean that anyone opening a financial account (such as a bank account) in New Zealand is required by law to declare their country of tax residence. Anyone with a pre-existing account may also be asked to declare their country of tax residence.

The purpose of these new laws is to detect and prevent offshore tax evasion, which New Zealand and more than 100 other countries have signed up to. Inland Revenue exchanges financial account information with other countries to ensure everyone pays the right amount of tax.

If you don’t comply with all these obligations, the financial institution may not open an account for you, and/or may freeze or close your account.

Penalties may apply if you provide false or misleading information, fail to provide this information, or fail to provide an update if there is a material change to the information you have provided.

Determining your tax residency

You need to declare your tax residency - see page 3 for more information.

Other International tax obligations

Your clients may need to provide (or update) information about their financial accounts in New Zealand and overseas, to comply with their international obligations. Find out more about:

- FATCA (Foreign Account Tax Compliance Act) obligations at [www.ird.govt.nz/fatca](http://www.ird.govt.nz/fatca)

Find out more

You can go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: AEOI) for more information about this exchange of information, read our AEOI factsheet (IR1033) or watch our short video explaining AEOI. Go to [www.ird.govt.nz](http://www.ird.govt.nz) (search keywords: DTA) for a list of countries New Zealand has agreements with.
Correcting returns

How to correct a return

If your client forgets to include some income or realises they need to amend their returns for any other reason, tell us as soon as possible. This is called a "voluntary disclosure". We'll charge shortfall penalties for not declaring enough tax initially, but because you've told us about it:

- the shortfall penalty may be less
- we may not prosecute for evasion or fraud.

Both businesses and individuals can make a disclosure. If they don’t make a disclosure and we find the errors during an audit or decide to investigate further, the penalties for filing an incorrect return are greater and prosecution is a possibility.

Making a voluntary disclosure

There are several ways to do this.

- Complete a Voluntary disclosure (IR281) form.
- Contact Inland Revenue by phone, letter, email or fax.
- Make a personal visit to an Inland Revenue office.
- Tell us during an interview as part of an audit.

For more information on voluntary disclosures read our guide Putting your tax returns right (IR280).

Find out more

- Putting your tax returns right (IR280)
- Voluntary disclosure (IR281)
- SPS 09/02 Voluntary disclosures
Annuity - a sum of money paid regularly, usually for a fixed total annual amount

Marginal tax rate - the basic rate of income tax for the specific person as set out in the Income Tax Act 2007

Corpus - the market value of any property settled on a trust, at the date of settlement

Foreign/overseas income - income derived outside of New Zealand. Examples include foreign-sourced income, foreign employment or services income, foreign trust or estate distributions and overseas business income

Foreign superannuation schemes - a scheme created outside New Zealand to provide people with a retirement benefit (e.g., United Kingdom pension schemes). It doesn't include schemes set up under another country's social security legislation

Lump sum - a single payment paid directly, or transferred to a New Zealand or Australian superannuation scheme. It doesn't include a pension paid regularly from a foreign superannuation scheme. These are generally taxable in full when received

PAYE (pay-as-you-earn) - income tax deducted from an employee's salary or wages by an employer and paid to Inland Revenue

International tax agreements - includes double tax agreements (DTAs) and/or tax information exchange agreements (TIEAs)

Pension - a regular payment, generally from a foreign superannuation scheme or pension fund, when you reach retirement age

Permanent place of abode - to have a permanent place of abode in New Zealand an individual must have a place where they usually live or could live in New Zealand, i.e., a house or other dwelling. If there is somewhere in New Zealand they could live, all of their ties and links with New Zealand need to be considered to decide whether it's a permanent place of abode. The types of ties that are relevant are:

- whether return trips are planned to New Zealand and for how long
- past use of the dwelling in New Zealand
- family and social ties
- employment, economic and property ties
- intention to return to New Zealand to live (and if so, when).

Individuals with strong ties to New Zealand are likely to have a permanent place of abode in New Zealand, but all of the circumstances need to be considered

Provisional tax - income tax paid as instalments during the year

Shortfall penalty - a penalty for taking an incorrect tax position or resulting from certain actions by the person. We charge shortfall penalties based on the seriousness of the offence

Social security pension - an income entitlement generally based on citizenship or residence and administered or paid by the government or state of a particular jurisdiction. For example, the State Pension in the United Kingdom (UK) and New Zealand Superannuation

Tax agent - a person who manages their clients' taxes and tax affairs on the clients' behalf.
How to contact 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 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.

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

General business tax 0800 377 774

Employer enquiries 0800 377 772

Overdue returns and payments 0800 377 771

Calling from overseas +64 4978 0079

Calling from a mobile phone 04 978 0079

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
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 (search keyword: privacy).

Services you may need

myIR
A myIR account lets you manage all your Inland Revenue matters securely online. You can update your address, phone, email or bank account details, check your eDocuments, work out your income tax filing options and check your KiwiSaver account.

Register for a myIR account today to:
• check if you’re due a refund
• file an EMS, IR3 tax return or GST return
• see payments to or from Inland Revenue (including child support and student loans)
• manage your alert email settings
• apply for/manage your Working for Families Tax Credits.

myIR is available 24 hours a day, seven days a week. Go to www.ird.govt.nz/myIR to find out more.

Forgotten your user ID or password?
Request these online and we’ll send them to the email address we hold for you.

www.ird.govt.nz
Go to our website for information and to use our services and tools.

Follow us on Twitter
Follow @NZInlandRevenue for tweets on tax and social policy matters, including media releases, due dates and consultations.

Business Tax Update
Get all your business tax news in one newsletter. Our Business Tax Update, available online only, gives you updates on payroll, PAYE, GST, FBT and other relevant tax issues. Subscribe through the newsletter page at www.ird.govt.nz/subscribe and we’ll send you an email when we publish each issue.

Language Line
Language Line is a free, phone-based interpreter service for Inland Revenue customers whose first or preferred language isn’t English. Over 40 languages are available - see www.languageline.govt.nz for the full list. Whenever you need to talk to us you can ask for a Language Line interpreter and choose the language you feel most comfortable using.