



Ratio change declaration Imputation and/or dividend withholding payment

Income Tax Act 2007
Oaths and Declarations Act 1957

- This declaration must be completed by an authorised officer of any company for which the imputation ratio and/or dividend withholding payment ratio of a subsequent dividend differs from that of the benchmark dividend.
- Please read the notes on the back for help filling in this form.

Your details

Name of company

IRD number (8 digit numbers start in the second box. 1 2 3 4 5 6 7 8)

Disclosure details of benchmark dividend and dividend to be paid

Imputation ratio of benchmark dividend : Date of dividend / /
Day Month Year

Imputation ratio of dividend to be paid : Date of dividend / /
Day Month Year

Dividend withholding payment ratio of benchmark dividend : Date of dividend / /
Day Month Year

Dividend withholding payment ratio of dividend to be paid : Date of dividend / /
Day Month Year

Declaration to be made by an authorised officer of the company

I (name)
of (place of abode)

solemnly and sincerely declare that the dividend to be paid on / / is not being paid as part of an arrangement
Day Month Year
to obtain a tax advantage within the meaning of section GB 35 of the Income Tax Act 2007 and I make this solemn declaration
conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

Signature / /
Date

Declared at

Position Phone number ()

Witnessed by (solicitor, Justice of the Peace, authorised Inland Revenue office holder, or other person authorised to take a statutory declaration)

Signature / /
Date

Name

Position

Send your completed form to the address below.

Inland Revenue
PO Box 39010
Wellington Mail Centre
Lower Hutt 5045

DLN

Notes

The first dividend paid by a company in any tax year is called the benchmark dividend. This sets the ratio between credits and dividends for the rest of the tax year. If there are changes to the benchmark ratio of subsequent dividends, this declaration (IR 407) must be completed.

Note that you do **not** need to complete this declaration if:

- the only variation from your benchmark dividend ratio has occurred because you chose to allocate credits imputed at 33:67 during the period of transition between the previous company tax rate (33%) and the current rate (30%), ie between 1 April 2008 and 31 March 2010. See *Tax Information Bulletin* Vol 20, No 3 (April 2008).
- your benchmark dividend ratio has varied only because you have allocated credits imputed at 33:67 during the transition in the company tax rate from 33% to 30%, ie between 1 April 2008 and 31 March 2010. See *Tax Information Bulletin* Vol 20, No 3 (April 2008).

The IR 407 must be completed by an authorised officer of the company for which the imputation ratio and/or foreign dividend payment (FDP) ratio of a subsequent dividend differs from that of the benchmark dividend. The subsequent dividend must not be paid as part of an arrangement to obtain a tax advantage—see section GB 35 of the *Income Tax Act 2007*.

If the company is a dividend withholding payment company that has elected to be a conduit tax relief company, changes to the benchmark ratio may affect their conduit tax relief account. For more information see *Tax Information Bulletin* Vol 10, No 4 (April 1998).

Send the completed form to Inland Revenue (see over page for addresses) before the date the subsequent dividend is paid. A later date can be approved in some special cases, but the request must be in writing.

Disclosure

If the company wants to change the ratio of a subsequent dividend from the ratio benchmark dividend, show the details of the benchmark dividend and dividend to be paid. Dividend payment ratios include any conduit tax relief with credits attached.

Declaration

This must be signed by an authorised officer of the company and witnessed by a solicitor, Justice of the Peace, authorised Inland Revenue office holder, or any other person authorised to take a statutory declaration.

More information

For more information on benchmark dividends see our booklet *Imputation (IR 274)*. You can get this from our website or you can order a copy by calling our self-service number on 0800 257 773. Please have your IRD number handy.

www.ird.govt.nz

Visit our website for services and information. Go to:

- **Get it done online** to file returns, register for services and access account information
- **Work it out** to calculate tax, entitlements, repayments and due dates and to convert overseas income to New Zealand currency.

You can also check out our newsletters and bulletins, and have your say on items for public consultation.