



# Consolidated groups – general elections

Use this form to make one or more of the following elections:

- Election to join an existing consolidated group
- Change of the nominated company of a consolidated group
- Application to limit joint and several liability
- Election to leave a consolidated group
- Election to maintain trading stock concession

If you need help completing this form, read the notes on the back page.

## Election to join an existing consolidated group *Section FM 36 Income Tax Act 2007*

The undersigned company elects to join the existing consolidated group known as:

Name of **consolidated group**

IRD number  Balance date   
Day Month Year

Current ICA balance \$

**and agrees to be jointly and severally liable for the consolidated group's tax including provisional tax, PAYE, RWT, ESCT and FBT.**

Name of **new member**

IRD number  Balance date   
Day Month Year

Current ICA balance \$  Losses available to carry forward \$

Is this a mineral miner that is a company to which section CU1 of the Income Tax Act 2007 applies?  Yes  No

Does the consolidated group contain a company that is a mineral miner to which section CU1 of the Income Tax Act 2007 applies?  Yes  No

Is this a qualifying company to which section HA 1 of the Income Tax Act 2007 applies?  Yes  No

Signatory's name

Designation or title

Signature   
 / /  
Date

**Send this form to:**  
 Inland Revenue  
 PO Box 39090  
 Wellington Mail Centre  
 Lower Hutt 5045

## Election to leave a consolidated group *Section FM 37 Income Tax Act 2007*

The undersigned company elects to leave the consolidated group known as:

Name of **consolidated group**

  

IRD number

as from

Day Month Year

The company's membership will cease from the start of the income year in which the election is received, unless the company requests a later income year.

Name of **company**

  

IRD number

Signatory's name

Designation or title

Signature

/ /

Date

## Change of nominated company of a consolidated group *Section FM 34 Income Tax Act 2007*

Name of **exiting nominated company**

  

IRD number

shall cease to be the nominated company of the consolidated group known as:

Name of **consolidated group**

  

IRD number

Name

  

IRD number

shall become the newly selected nominated company from:

Day Month Year

Signatory's name

Designation or title

Signature

/ /

Date

## Election to maintain trading stock concession *Section FM 17 Income Tax Act 2007*

Name of **nominated company**

  

being the nominated company of the consolidated group known as:

Name of **consolidated group**

  

**notifies the commissioner that the trading stock concession contained in section FM 17 of the Income Tax Act 2007 apply for the income year ending:**

Day	Month	Year

Signatory's name

Designation or title

Signature

 / /  
Date

## Application to limit joint and several liability *Section FM 4 Income Tax Act 2007*

Name of **nominated company**

  

being the nominated company of the consolidated group known as:

Name of **consolidated group**

  

**applies for the following companies to be treated as jointly and severally liable for the tax (including provisional tax, PAYE, RWT, ESCT and FBT) of the group for the income year ending:**

Day	Month	Year

Name

  

IRD number

  

Name

  

IRD number

  

Name

  

IRD number

  

Signatory's name

Designation or title

Signature

 / /  
Date

## Notes

### Entering an existing group

A company that joins an existing consolidated group will be treated as a member of the group from the start of the income year in which it notifies us, as long as the company gives notice within 63 working days of the start of that income year.

A newly incorporated company can join an existing group from the beginning of the income year of incorporation if it notifies us within 63 working days of incorporation.

A newly acquired company can join an existing group from the day it becomes eligible to be a member, provided it notifies us within 63 working days of eligibility.

All other elections will apply from the beginning of the following income year, unless the Commissioner is satisfied the appropriate notice of election could not reasonably have been made within the 63 working day timeframes.

### Losses to carry forward

Enter any losses to carry forward at the end of the previous income year.

### Leaving a consolidated group

Unless otherwise requested, membership will cease from the beginning of the income year in which we are notified. Alternatively, you can request that the company's membership cease from the beginning of the following income year.

Certain events, such as liquidation, will necessitate membership of the group to cease during the income year rather than at the end of the year.

### Change in nominated company

It is the responsibility of the exiting nominated company to advise us if there is to be an alternative nominated company for the consolidated group. The change of a nominated company will apply from the date we receive the notice, unless a later date is specified on the notice.

### Election to maintain trading stock concession

Subject to certain conditions there is an alternative to valuing trading stock under subpart EB of the Income Tax Act 2007 ("the Act"). Section FM 17 of the Act allows a nominated company to value trading stock transferred within the group at its value at the beginning of the year, and to value stock purchased during the year at its cost.

### Application to limit joint and several liability

The requirement for joint and several liability may be limited to one or more companies of the group. We must be satisfied that the nominated company or companies are able to meet the income tax liability of the consolidated group.

### Inland Revenue's website

Visit our website at [ird.govt.nz](http://ird.govt.nz) for detailed information about tax and social policy, and online access to our booklets, returns, forms, newsletters, public rulings and the many other services we offer.