

Non-residents claiming GST in New Zealand

This factsheet explains the change that allows non-resident businesses to register for GST and claim GST paid on New Zealand business expenses.

What is the change?

Provided a non-resident business doesn't have a New Zealand taxable activity, they can:

- register for GST, and
- claim GST paid on New Zealand business expenses when receiving goods or services in New Zealand.

This change takes effect from 1 April 2014.

Examples

Example 1

ZNA Airways sends two prospective pilots to study aviation in New Zealand. ZNA doesn't operate in New Zealand.

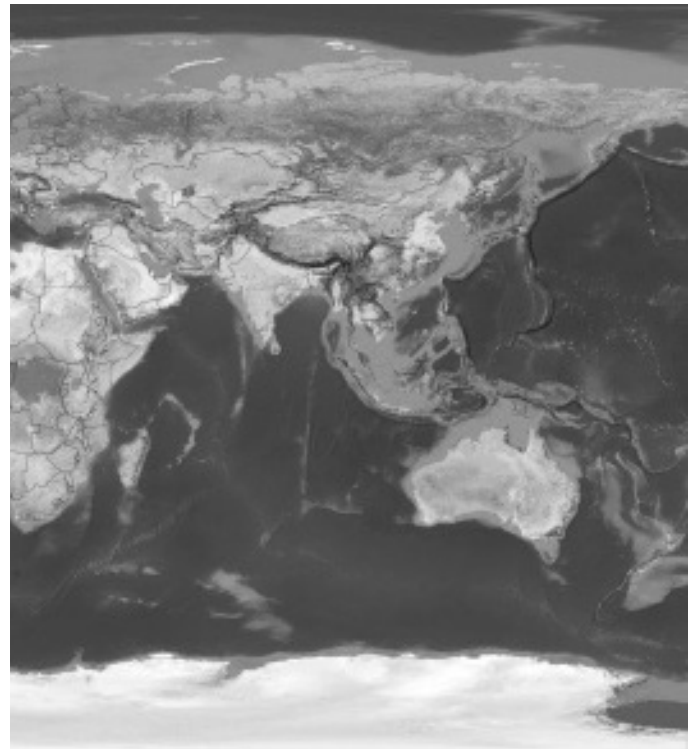
ZNA pays the students' course fees and accommodation. They also reimburse the students for incidentals, eg, meals, general spending. At the end of the training the students leave New Zealand.

ZNA can claim the GST paid on their New Zealand business expenses.

Example 2

PRW is a US company that doesn't trade in New Zealand. They organise a conference in New Zealand for their management team. PRW pays all New Zealand costs associated with the conference, eg, venue hire, accommodation and meals.

PRW can claim the GST paid on their New Zealand business expenses.



For more information

Inland Revenue's website has information for non-resident GST business claimants, eg, the criteria to qualify and how to register.

Go to www.ird.govt.nz (search keywords: non-resident GST).