



For help completing this form please read the notes on the back.

Name of look-through company (LTC)	<input type="text"/>
IRD number	(8 digit numbers start in the second box. <input type="text"/> <input type="text"/> 1 2 3 4 5 6 7 8) <input type="text"/>
Contact person's name	<input type="text"/>
Contact number	(<input type="text"/>) <input type="text"/>

Owner's revocation

Section HB1 of the Income Tax Act 2007 (look-through companies)

To be completed by an owner of a look-through interest in the LTC. Any owner who has a look-through interest in the LTC can choose to revoke the company's LTC status. Only one owner needs to sign this revocation (see note 1).

This revocation is to take effect from the start of the income year (see note 3).

Owner's name	<input type="text"/>
Signature	<input type="text"/>
	<input type="text"/> / <input type="text"/> / <input type="text"/> Date
Owner's/Trust's IRD number	<input type="text"/>

For trustee owners only (see note 5)

Trustee's name	<input type="text"/>
Trustee's IRD number	<input type="text"/>

Notes

1. Revoking an election for a look-through company (LTC)

An election may be revoked by any owner who has a look-through interest at the time of the revocation (see note 3).

For a company to become an LTC all owners must unanimously agree to apply section HB 1 of the Income Tax Act 2007.

However, only one owner needs to revoke the election for the LTC status to be lost. The revocation can only be signed by a natural person or trustee owner of a look-through interest (see note 5).

2. Ignoring the revocation

We can only ignore an owner's revocation if:

- the revoking owner requests us to ignore it before its effective date, or
- the revoking owner sells or otherwise disposes of all their interests in the LTC, and the new owner/s advise us that the revocation is to be ignored before its effective date.

3. Effective date of revocation

We must receive the revocation before the start of the income year for which it is intended to take effect. We can only accept a late revocation if exceptional circumstances were the only reason for lateness.

If the revocation is received after the start of the income year specified then the revocation will instead take effect from the start of the next income year.

4. Look-through interest

Look-through interest means a person's shares in a LTC if every shareholder in the LTC has the same rights, proportionally, to vote on:

- any distributions, including capital distributions made by the LTC,
- the constitution of the LTC,
- any capital variation of the LTC,
- the appointment or election of directors of the LTC,
- any acquisition, cancellation or redemption of shares in the LTC.

Only a natural person, trustee, including corporate trustees (see note 5) or another LTC (see note 6) can own shares in an LTC.

5. Trustee owners of a look-through interest

Where the revoking owner of a look-through interest in an LTC is a trustee of a trust, enter the owner's name as "Trustee in [name of trust]" and the trust's IRD number as the owner's IRD number.

Enter the name and IRD number of the trustee signing the revocation in the spaces provided. Only one trustee needs to complete the revocation for the trust.

6. LTC owners of a look-through interest

If an LTC owns shares in another LTC it is looked through to find either the natural person or trustee (including a corporate trustee) who is the ultimate owner of the look-through interest.

Do not enter the name and IRD number of a shareholding LTC as the revoking owner. The revocation can only be made by owners who are either natural persons or trustees (including corporate trustees).

7. Effect of revocation of LTC status

- When a company ceases to be an LTC, but otherwise continues as an ordinary company, each owner is considered to have disposed of the underlying property at market value on the day the company ceases to be an LTC. The company is considered to have immediately reacquired the property at the same market value.
- Once a company's LTC status has been revoked the company will be taxed as an ordinary company.
- The company won't be able to elect to become a LTC in either the year the revocation takes effect, or in any of the following two income years.

More information

If you need more information please read our guide *Look-through companies (IR879)*. You can view a copy on our website or order one by calling 0800 257 773. Please have your IRD number handy when you call.

www.ird.govt.nz

Go to our website for information and to use our services and tools.

- **Log in or register for myIR** – manage your tax and entitlements online.
- **Demonstrations** – learn about our services by watching short videos.
- **Get it done online** – complete forms and returns, make payments, give us feedback.
- **Work it out** – use our calculators, worksheets and tools, for example, to check your tax code, find filing and payment dates, calculate your student loan repayment.
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