



Inland Revenue
Te Tari Taake

Notice of proposed adjustment

Dispute a tax assessment or a decision

IR770
December
2017

Use this form to:

- formally dispute one or more tax assessments when you haven't been able to reach agreement with us, or
- formally dispute certain decisions we've made (eg, decisions about your tax residency or GST registration).

For more information on disputes please visit our website www.ird.govt.nz (search term: "disputes"). Our website includes guides to help you complete this process and an example of a completed form. Our website also includes other options if this form is not right for you.

Time limits apply for disputing an assessment or a decision. See below for more information.

Taxpayer's details

Full name	Joe Bloggs									
IRD number	(8 digit numbers start in the second box)									
	0	1	2	2	2	2	2	2	2	2
Address	10 Any Street									
	Street address or PO Box number									
	Suburb					City				
	Suburb, box lobby or RD					Town or city				
Contact details	01 2345678									
	Telephone					Contact person (if applicable)				

Tax agent's details (if applicable)

Name										
Address										
	Street address or PO Box number									
	Suburb, box lobby or RD					Town or city				
Contact details										
	Telephone					Contact person (if applicable)				

This notice is for the attention of (if known):

Name	Jane Roe
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Date	1	5	0	8	2	0	1	8
	Day		Month		Year			

Time limits

You have four months to send this form to us. If you're disputing:

- a self-assessment**, this timeframe starts from the date we received your assessment.
- an assessment we made**, this timeframe starts from the date the notice of assessment was issued.

If you don't send this form within the time limit you'll generally be considered by law to have accepted our position.

You're allowed by law to send us this form outside this timeframe if there are exceptional circumstances, or you've demonstrated you intended to enter into the disputes process. Please include a note explaining why it is late or how you demonstrated you intended to enter into the disputes process (if this applies).

Completing this form

If there is not enough space on this form don't complete the boxes on the next 2 pages. Instead, attach your own document to this form and use the same headings used in the next 2 pages.

What is the change you want?

For a change to an assessment:

Form number of the return you filed:

GST101

NOTE: If you haven't filed a return and we assessed the tax for you, you must attach the completed outstanding return to this form. State the form number in the box above.

Period the return covered:

(eg, 01/04/2016 to 31/03/2017)

0 | 1

Day

0 | 2

Month

2 | 0 | 1 | 8

Year

to

3 | 1

Day

0 | 3

Month

2 | 0 | 1 | 8

Year

What is the amount of the change you want made to the assessment?

I am proposing that I be allowed an input tax deduction of \$152,500.00 for the purchase of earthmoving machinery.

For a change to a decision:

What is the change you want made to our decision?

N/A

What facts support the change you want?

Describe the facts and circumstances that support your proposed change. Include any important facts you think we may not know.

I am a self-employed earthmoving contractor carrying on a taxable activity.

I incurred expenditure on the purchase of earthmoving machinery in the period ended 31/03/2018.

I have filed my GST return for the period ending 31/03/2018 without claiming an input tax deduction for the earthmoving machinery. I'm now proposing that I be allowed the deduction.

The main reason I didn't claim the deduction was because I did not have a tax invoice showing that the amount included GST. The vendor has refused to issue a new tax invoice showing that GST at the rate of 15% was charged.

The vendor considers the transaction to be a zero-rated supply of a going concern. She has issued a tax invoice at the rate of 0% on that basis. However, the sale and purchase contract does not contain any agreement that the transaction is zero-rated as a going concern.

I am disputing with the vendor over whether the sale of the earthmoving machinery is zero-rated or not.

Why do you think your proposed change is correct?

Explain why you think your proposed change is correct. You'll need to provide details of the law you are relying on to support your view. If you can't do this, then you'll need to provide enough detail so we can identify any relevant legislative provisions for you. You'll also need to explain how the law applies to the facts.

You can find examples to help you answer this question and information about tax laws by searching our website. You can also refer to publications, court cases and legal principles that support your proposed change.

We can't help you answer this question. If you need help we recommend you get advice from a professional tax advisor.

I do not have a GST inclusive tax invoice for the input tax claim. The vendor considers I have purchased her business as a going concern and I believe I have just purchased the machinery. I have attached a copy of the sale and purchase contract and the tax invoice issued by the vendor showing that the sale has been zero-rated. There is no agreement to zero-rate the transaction in the sale and purchase contract as required for a transaction to be zero-rated as a going concern.

I realise that the vendor is selling all her machinery and will be closing her business as a consequence of the sale.

However, I believe that I am just purchasing the machinery and not her entire business.

I have paid the purchase price and the machinery is registered in my name. It came as a surprise to me that the vendor treated the transaction as the zero-rated sale of a going concern in the tax invoice she issued. I am disputing this with the vendor.

I understand that Inland Revenue is under no obligation to allow my input tax deduction if I do not hold a tax invoice showing the amount of GST charged. However, I am providing other evidence that shows that the transaction should not have been zero-rated. In particular, the sale and purchase contract.

List the documents you've attached

In tax disputes you have the responsibility to prove the assessment or decision is wrong. Attach copies of documents you're aware of that are relevant to the issues you've raised. List the documents you've attached in the space below.

You don't have to provide copies of any law, cases or publications you're relying on. Just refer to these sources by name with enough detail so we can find them.

1. The sale and purchase contract between me and the vendor.
2. The tax invoice provided by the vendor, showing the sale is zero-rated.
3. Bank statements showing the purchase.
4. Registration of ownership details for the machinery.

Consent for email communication

I consent to two-way communication with Inland Revenue by email throughout the disputes process. I understand this email consent will also cover any communication with Inland Revenue's Disputes Review Unit. I also understand these emails may be encrypted, password protected and may contain confidential and/or commercially sensitive information. Inland Revenue will take all reasonable steps to reduce any risk of unauthorised access or release of confidential information, but can't guarantee emails won't be intercepted or read while in transit.



Tick here

Email address:

Checklist

Under the law you need to provide a sufficient amount of information for this form to be valid. The checklist below will help you meet those legal requirements:

My Notice of proposed adjustment form:

identifies the change I want made to the assessment or the change I want made to a decision



gives a statement of the facts which support my proposed change to an assessment or proposed change to a decision



gives a statement of the law and how the law applies to the facts in enough detail to explain to Inland Revenue why my proposed change to an assessment or proposed change to a decision should be made, and



includes copies of any documents which I'm aware of that are significantly relevant to the issues I've raised



(Tick each circle to confirm)

Next steps

Once you've completed this form, mail it (with any attachments) to:

Inland Revenue
PO Box 39010
Wellington Mail Centre
Lower Hutt 5045

If we decide your view is correct we'll either make a new assessment in line with your view or the assessment in your return stands and the matter ends there. Otherwise, we'll send you our *Notice of response* within two months.

Please be aware that entering into a dispute does not stop interest and penalties being applied to outstanding amounts.

For more information about the disputes process, go to our website www.ird.govt.nz (search term: "disputes").