



20 April 2026

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 24 March 2026. You requested the following:

I was reading [this article](#) when I noticed this table:

The source is given as the Australian Tax Office and so... I wondered if you guys are able to access similar information?

If you do have the info in any form, I'd be interested to get it for the last three fully complete tax years, so that would be FY22, FY23 & FY24.

For clarity, I'm after the number of rental interests by individual. I only own one rental property, but from memory when I had more than one, I had to say how many at some point in the return process.

On 1 April 2026, you clarified your request to:

1. *The total number of taxpayers filing IR3 returns that include rental income.*
2. *The number reporting net positive rental income, and the aggregate amount of that net positive income.*
3. *The number reporting net negative rental income, and the aggregate amount of that net negative income.*
4. *The total amount of interest expense claimed.*
5. *For taxpayers with 1-3 rental properties, a breakdown of the number reporting net positive income and net negative income, including*
 - a. *Those with 1 rental property.*
 - b. *Those with 2-3 rental properties.*
6. *For taxpayers with 4-9 rental properties, a breakdown of the number reporting net positive and net negative income.*
7. *For taxpayers with 10 or more rental properties, a breakdown of the number reporting net positive and net negative income.*

As this clarification significantly changed the scope of the original request, Inland Revenue treated the clarified request as a new request for the purposes of section 15(1AA) of the Official Information Act 1982. The new due date for our response was 4 May 2026.

Information previously released to you

In August 2025, we provided you with information on taxation of rental properties covering the 2022-23 and 2023-24 tax years (26OIA1281 refers). Within that reply, the numbers of individuals holding rental properties directly (including non-resident individuals) was included and is repeated here, in **Table 1**, for convenience:

Table 1 – Repeat from August 2025 data extract

Data on individuals declaring rental property income or losses (includes non-residents):	2022-23	2023-24
Q1: number of individuals with rental income or loss on an IR3	240,740	246,310
Q2a: number of individuals declaring current year net rental profit	197,900	203,370
Number declaring current year net profit after brought forward expenses are claimed	179,170	185,630
Q3a: number of individuals declaring current year net loss	42,840	42,950

Other contextual information publicly available

The response to a similar request for the number of rental properties held is available on the Inland Revenue website: [2024-06-07-details-on-rental-income-for-22-and-23-tax-years](#). You will note from this published response that Inland Revenue does not hold comprehensive information on how many rental properties are held by taxpayers but holds partial information where the IR3R calculation worksheet has been used as an input into return filing. As stated at the time, and as continues to be the case, this information does not include property owners (be they individuals or other entity types) who do not use the IR3R worksheet, and the information which is held may be biased towards smaller portfolios.

Information released

For the purposes of all tables in this reply, a taxpayer is defined as having positive residential rental income if their residential rental income is more than their reported current year residential deductions. Please note that a taxpayer may not have a tax obligation in that year if they can also claim ring-fenced expenses from an earlier year to offset their income. A taxpayer is defined as having negative residential rental income if their residential rental income is less than their reported current year residential deductions. Note that negative residential rental income is ring-fenced and has no immediate tax impact, but any net losses can be carried forward to future years to offset against future year rental profits. What is being reported in these tables are the net figures before any brought-forward loss claims are made.

Table 2 provides responses to questions 1 to 4, updating Table 1 and filtering out non-resident individuals to focus on IR3 filers as mentioned in your request. The information in Table 2 is limited to resident individuals holding rental properties directly and does not include non-residents or other domestic entities holding rental properties.

The interest claimed data provided in the response to question 4 is the deductible interest expense, with the deductible proportion changing in each of the reported years. The 2021-22 tax year was a half-year with full deductibility and a half-year with 25% interest denial, which averages out to 87.5%

deductible. The 2022-23 year had 75% deductible interest, and the 2023-24 year was 50% deductible.

Table 2 - Questions 1 – 4: Resident individuals* with rental income or loss, filing an IR3

Resident individuals declaring rental property income or losses on an IR3	2021-22	2022-23	2023-24
Q1: number of individuals with rental income or loss	219,240	223,900	230,710
Q2a: number declaring current year net rental profit	181,000	183,130	189,280
Number declaring current year net profit after brought forward expenses are claimed	156,820	166,150	173,000
Q2b: Aggregate net current year profit before brought forward expenses are claimed (\$m)	\$1,987m	\$2,030m	\$2,259m
Q3a: number declaring current year net loss	38,240	40,760	41,430
Q3b: Aggregate net current year loss (\$m)	-\$22.1m	-\$23.2m	-\$28.3m
Q4: Total interest expense claimed (\$M)	\$912m	\$1,276m	\$1,363m

*Table 2 does not include non-resident individuals or other entities holding rental properties.

Table 3 partially responds to your questions 5 to 7 and is limited to circumstances where an IR3R calculation sheet is held by Inland Revenue and the person filed an IR3 return. The calculation sheet is not necessarily used by the same taxpayers year on year. All counts have been rounded to the nearest 10 and totals may not sum accordingly. Moreover, cells with fewer than 6 observations have been suppressed to reduce the risk of being able to identify an individual.

Table 3 – Questions 5 – 7: Individual rental property owners where an IR3R* is filed:

IR3 Taxpayers using an IR3R Calculation sheet	2021-22	2022-23	2023-24
Contextual: number filing at least one IR3R:	60,560	61,570	64,870
One property – number with net current profit	42,990	43,060	45,090
One property – number with net current loss	8,160	9,000	9,800
One property - aggregate profit on IR3R (\$m)	\$387.8m	\$416.6m	\$466.0m
One property – aggregate loss on IR3R (\$m)	-\$201.1m	-\$123.0m	-\$158.3m
2-3 properties – number with net current profit	7,170	7,230	7,430
2-3 properties – number with net current loss	1,090	1,190	1,420
2-3 properties - aggregate profit on IR3R (\$m)	\$125.3m	\$128.8m	\$140.7m
2-3 properties – aggregate loss on IR3R (\$m)	-\$32.0m	-\$31.1m	-\$26.2m
4-9 properties – number with net current profit	970	940	970
4-9 properties – number with net current loss	140	120	130

IR3 Taxpayers using an IR3R Calculation sheet	2021-22	2022-23	2023-24
4-9 properties - aggregate profit on IR3R (\$m)	\$33.3m	\$34.5m	\$37.3m
4-9 properties - aggregate loss on IR3R (\$m)	-\$5.8m	-\$1.6m	-\$8.6m
10+ properties - number with net current profit	30	30	20
10+ properties - number with net current loss	C	C	C
10+ properties - aggregate profit on IR3R (\$m)	\$2.0m	\$2.4m	\$2.0m
10+ properties - aggregate loss on IR3R (\$m)	C	C	C

**Table 3 does not include other entities with rental properties or natural-person rental property owners who are not using an IR3R rental calculation sheet as part of their return filing. The information in Table 3 is likely biased towards smaller portfolios.*

Information refused

A more complete response to questions 5 – 7 cannot be provided and is therefore refused under section 18(g) of the OIA, as the requested information is not held by Inland Revenue, and we do not believe it is held by another agency.

Right of review

If you disagree with my decision to refuse an aspect of your OIA request, you have the right to ask the Ombudsman to investigate and review my decision under section 28(3) of the OIA. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, may be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you again for your request.

Yours sincerely



Sandra Watson

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