



30 April 2026

[REDACTED]
[REDACTED]

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 4 April 2026. You requested the following:

What information does Inland Revenue collect on transactions between close companies and shareholders or associates of shareholders? This includes loans, other payments, transfer of goods or services transfer of assets? Has Inland Revenue carried out any exercise to estimate the potential loss of tax from such transactions? If so, what methodology did it use?

Inland Revenue collects information on transactions between close companies and shareholders or associates of shareholders in question 40 of the IR4 and IR4S returns. Page 45 of the IR4 guide includes some guidance for completing this section.

For each shareholder, director or relative of a shareholder, Inland Revenue collects the following:

- The IRD number of the shareholder, director or relative, and
- Any remuneration with no PAYE deducted, and
- Any amount of shareholder AIM tax credit, and
- The value of loans from the company, and
- Current account balance, and
- Loss offsets relating to group members, and
- Subvention payments relating to other group members

While Inland Revenue has not estimated the potential tax loss from such transactions, we recently collated and published some data about company loans to shareholders in chapter 3 of the December 2025 Officials' Issues Paper – *Improving taxation of loans made by companies to shareholders*, which can be found here: [officials-issues-paper-shareholder-loans.pdf](#).

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



Gordon Witte

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