



24 August 2023

[Redacted]
[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 27 July 2023. You requested:

- 1) *IRD collects information on rental income in tax returns. Does that provide information on individuals' taxable income?*
- 2) *If so, how many (&/or what percentage) of people reporting rental income reported taxable income in the under \$48,001 brackets; the \$48,001 to \$70,000 bracket; the \$70,001 to \$180,000; and the over \$180,000 bracket?*
- 3) *Is any information on age collected? If age data is collected, how many (&/or what percentage) of people reporting rental income fit into different age brackets.*
- 4) *Is any information on occupation collected? If so, are any occupations more prevalent among people reporting rental income?*

Questions 1 and 2

Information on rental income is collected in income tax returns (IR3 forms where the rental property is held by an individual), which also provide information on taxable income.

The most recent year for which Inland Revenue holds complete information is the 2021–22 income year. Enclosed as **table 1**, I have provided a breakdown of the number of resident individuals who have declared non-zero values in one of the following three questions on their 2021–22 IR3 personal income tax return:

- Total residential income (question 22A)
- Residential rental deductions (question 22B); or
- Net residential income (question 22E).

It is important to note that these fields may also include income and expenses from the taxable sale of a residential property that was subject to bright-line rules.

Some rental properties are held by entities such as companies or trusts. These entities are not included in the table.

Question 3

Inland Revenue holds information on the dates of birth for many customers; however, some gaps in this data exist. I have provided, enclosed as **table 2**, the numbers of customers, broken down by age (based on recorded dates of birth), who filed a 2021–22 IR3 return with income or expenses declared in the three fields listed above.

As above, this information only includes people reporting residential income where the property is not held in an entity.

Question 4

Inland Revenue does not hold information on the occupations of taxpayers. Therefore, this part of your request is refused under section 18(g) of the OIA, as the requested information is not held by Inland Revenue and I do not have reasons to believe it is held or more closely linked to the functions of another agency.

Right of review

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: commissionerscorrespondence@ird.govt.nz.

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: info@ombudsman.parliament.nz.

If you choose to have an internal review, you can still ask the Ombudsman for a review.

Publishing of OIA response

We intend to publish Inland Revenue's response to your request on our website. This letter, with your personal details removed, will 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 Ministers and officials.

Thank you for your request.

Yours sincerely



Sandra Watson
Policy Lead, Forecasting and Analysis

Attached:

Table 1 and Table 2

Table 1

2021-22 taxable income band	Number of 2021-22 IR3 filers with residential rental income or expense by taxable income band
less than or = \$0	2,860
\$1 - \$14,000	11,180
\$14,001 - \$48,000	52,170
\$48,001 - \$70,000	34,180
\$70,001 - \$180,000	87,460
greater than \$180,000	19,370
Total*	207,220
*May not sum due to rounding	

Table 2

Age at 31 March 2022	Number of 2021-22 IR3 filers with residential rental income or expense by age
<20	60
20	50
21	70
22	130
23	190
24	340
25	540
26	760
27	1,050
28	1,240
29	1,650
30	1,880
31	2,250
32	2,590
33	2,850
34	3,080
35	3,100
36	3,440
37	3,640
38	3,950
39	4,210
40	4,140
41	4,070
42	4,150
43	4,080
44	4,140
45	4,140
46	4,210
47	4,490
48	4,720
49	4,960
50	5,150
51	5,300
52	5,320
53	5,530
54	5,420
55	5,310
56	5,610
57	5,570

58	5,810
59	5,890
60	5,750
61	5,430
62	5,170
63	4,840
64	4,710
65	4,410
66	4,070
67	3,820
68	3,510
69	3,270
70	3,020
71	2,780
72	2,630
73	2,380
74	2,280
75	2,020
76	1,590
77	1,340
78	1,120
79	950
80	960
81	780
82	620
83	530
84	470
85	350
86	290
87	270
88	210
89	170
90+	800
Unknown	1,640
Total*	207,220
*May not sum due to rounding	