



18 July 2025

[REDACTED]  
[REDACTED]

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 26 June 2026. You requested the following:

- 1. Is it possible to say which sectors have the largest number or proportion of businesses reporting losses?*
- 2. Do you have any data that would show me what income property investors are declaring?*

On 26 June 2025:

You clarified your request to the following:

- 1. Can I request under the OIA, then, any information you can give me that would show which sectors have the largest number of companies recording a loss?*
- 2. And could I also request information on the profit and loss of residential rental properties – is it possible to detail what income those who are making a profit are recording, and what losses those who are making a loss are making.*

Inland Revenue provided you with links to two publicly available responses to OIA requests, [25OIA1915](#)<sup>1</sup> and [25OIA1443-1446](#), that include information similar to what you have requested.

After considering the information within these responses, you clarified your request to the following:

- 1. I remember the first one. I think that we decided there might be a few reasons why some weren't paying tax - is there any way to specify in which cases it's because they were reporting a loss?*
- 2. Re the rental property data, that's very helpful. I wondered whether you'd have information on the median or average income for those making a profit? I see it's there for people making a loss.*

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<sup>1</sup> Please note there was an error in the table headers in 25OIA1915 for the years in the second and third tables. The released data ranges from 2021-22 through to 2023-24 (in-progress), and not 2022-23 through to 2024-25 (in-progress) as was previously stated in the table headers. The data itself is correct for that point in time and the headers have been corrected.

**Item 1 – Sectors where companies are reporting a loss**

I am releasing, enclosed as **Table 1a**, data which provides updated totals for the 2022-23 tax year and **Table 1b** which provides updated totals for the 2023-24 tax year in-progress as at 1 July 2025.

The previously published information only separately identified companies with taxable profits. The remaining companies without a taxable profit may have nil taxable income as per the following categories:

- There is a current year net loss,
- There is a current year net profit, but brought-forward or pass-through losses are being utilised to bring the current year taxable balance to nil,
- The company otherwise has no income (including nil returns, holding or shelf companies, companies not trading, etc).

For the 2022-23 year, there were approximately 440 taxpayers for whom brought forward or pass through losses reduced what would otherwise have been a positive taxable income to nil. The in-progress figure of such cases for the 2023-24 tax year is 430 taxpayers.

**Item 2 – Average rental income where net rents are a profit**

Referencing the previously released data on residential rentals, you requested median or average values in cases where taxpayers with residential rental properties made a profit. I have calculated the requested averages using unpublished data that was extracted at the same time as the previous release. The results of this calculation are detailed in **Table 2**.

**Right of review**

If you disagree with my decision on 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](mailto: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](http://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

**Policy Lead – Forecasting and Analysis**

**Table 1a: Count of company tax returns by industry for the 2022-23 tax year**

<b>Industry</b>	<b>Current loss</b>	<b>Claimed loss</b>	<b>No income</b>	<b>Current profit</b>	<b>Total</b>
A Agriculture, Forestry, Fishing	8,500	3,190	5,990	14,530	32,210
B Mining	260	100	240	300	900
C Manufacturing	6,150	2,280	6,960	8,530	23,920
D Electricity, Gas, Water, Waste	430	140	590	640	1,800
E Construction	13,570	4,570	24,460	25,240	67,840
F Wholesale Trade	4,930	2,000	5,350	6,670	18,950
G Retail Trade	9,330	3,180	11,270	10,030	33,810
H Accommodation and Food Services	6,870	2,830	7,270	6,340	23,310
I Transport, Postal & Warehousing	2,830	1,260	4,670	4,500	13,260
J Information, Media & Telecommunication	2,190	740	3,200	2,110	8,240
K Finance & Insurance Services	4,270	1,680	13,330	7,300	26,580
L Rental, Hiring & Real Estate Services	16,550	6,430	19,740	30,300	73,020
M Professional, Scientific & Technical Services	14,410	5,390	28,600	23,440	71,840
N Administrative & Support Services	4,150	1,860	8,840	5,950	20,800
O Public Administration & Safety	330	110	530	520	1,490
P Education and Training	1,860	660	2,790	1,890	7,200
Q Health Care and Social Assistance	2,580	950	5,420	6,450	15,400
R Arts and Recreation Services	1,890	760	2,470	1,700	6,820
S Other Services	4,640	1,870	7,380	6,570	20,460
Unknown industry	1,620	680	3,200	1,660	7,160
<b>Total of displayed figures</b>	<b>107,360</b>	<b>40,680</b>	<b>162,300</b>	<b>164,620</b>	<b>475,010</b>

**Table 1b: In-progress count of company tax returns by industry for the 2023-24 tax year**

Industry	Current loss	Claimed loss	No income	Current profit	Total
A Agriculture, Forestry, Fishing	9,310	3,250	6,130	13,220	31,190
B Mining	250	90	240	300	880
C Manufacturing	6,250	2,250	6,730	8,030	23,260
D Electricity, Gas, Water, Waste	450	150	560	660	1,820
E Construction	13,600	4,950	24,180	24,820	67,550
F Wholesale Trade	4,940	1,960	5,130	6,250	18,280
G Retail Trade	9,280	3,220	10,890	9,830	33,220
H Accommodation and Food Services	6,900	2,680	7,340	6,510	23,430
I Transport, Postal & Warehousing	2,910	1,190	4,760	4,370	13,230
J Information, Media & Telecommunication	2,180	690	3,010	2,060	7,940
K Finance & Insurance Services	4,060	1,650	12,310	7,470	25,490
L Rental, Hiring & Real Estate Services	16,750	6,170	18,600	30,090	71,610
M Professional, Scientific & Technical Services	13,950	5,410	27,570	23,340	70,270
N Administrative & Support Services	4,220	1,730	9,010	6,280	21,240
O Public Administration & Safety	300	110	540	520	1,470
P Education and Training	1,710	730	2,680	2,010	7,130
Q Health Care and Social Assistance	2,470	1,050	5,330	6,620	15,470
R Arts and Recreation Services	1,890	700	2,430	1,650	6,670
S Other Services	4,590	1,930	7,370	6,660	20,550
Unknown industry	1,370	600	2,700	1,590	6,260
<b>Total of displayed figures</b>	<b>107,380</b>	<b>40,510</b>	<b>157,510</b>	<b>162,280</b>	<b>467,680</b>

**Table 2: Average\* positive net rental income for residential properties by tax year (\$)**

<b>Entity</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24**</b>
Individuals	9,830	10,850	12,900	12,640	13,240
Companies	72,170	54,210	45,890	28,750	29,320
Trusts	18,220	20,110	24,150	24,620	26,490
Māori Authorities	20,080	26,180	34,900	30,940	15,720
Clubs/Societies	9,960	11,420	15,230	17,460	22,110
<b>All entities*</b>	<b>14,640</b>	<b>14,800</b>	<b>16,680</b>	<b>15,590</b>	<b>15,680</b>

\* The averages were calculated by including only those taxpayers recording a net profit on residential housing in each year.

\*\* This data was extracted from Inland Revenue systems on 3 March 2025 at which stage return filing for the 2023-24 tax year was incomplete.