



15 March 2023

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 28 February 2023. You requested the following:

1. *How many Land Transfer Tax Statements have been completed since 1 January 2020?*
2. *How many of those have been recorded as main home transfers?*
3. *How many enforcement actions has IR taken due to false information provided in a Land Transfer Tax Statements?*
4. *How many investigations has IR begun based off information gained from Land Transfer Tax Statements?*
5. *If the answer to the above questions is 'none', then how is IR using the information to ensure property tax obligations are met.*

Question 1

As of 1 March 2023, there have been 1,753,552 LINZ Tax Statements received by Inland Revenue since 1 January 2020.

Question 2

When completing a LINZ Tax Statement, a tax position is not required. This is only taken when a tax return is submitted.

Between 1 January 2020 and 1 March 2023, 391,423 LINZ Tax Statements indicated a sale was that of a person's main home.

495,201 LINZ Tax Statements completed by buyers for that same period indicated it was their main home.

Question 3

Inland Revenue has not taken any enforcement actions on false information provided in a LINZ Tax Statement. The completion of LINZ Tax Statements has however been monitored since its introduction and this has been found to be reliable. Conveyancing solicitors and other professionals are completing the statements accurately. When errors occur, Inland Revenue works with the legal profession to raise awareness to avoid errors in the future.

Questions 4 and 5

The LINZ Tax Statements form the basis of a wide range of interventions generated by Inland Revenue's Data Intelligence Platform.

These interventions are part of Inland Revenue's 'right from the start' approach, which strives to help customers understand and meet their tax obligations. For example, Inland Revenue prepopulates *myIR* information for customers with a potential bright-line obligation using the information obtained on the LINZ Tax Statement. The goal is to assist

customers in taking the correct tax position from the start and prevent the need for an investigation.

Inland Revenue also carries out annual visits to bright-line customers where several thousand customers each year are personally contacted about their potential bright-line obligation, based on the information gathered in the LINZ Tax Statements.

In addition, Inland Revenue uses LINZ Tax Statements combined with other property and tax information in a range of screening and audit interventions in support of its property tax compliance work.

The results of the audit work undertaken in the property compliance area by financial year are indicated in the table below:

Year (ended 30 June)	Audit cases completed	Additional Tax Assessed (\$m)
2020	1,431	\$86.8m
2021	3,381	\$119.7m
2022	1,217	\$94.2m
2023*	637	\$71.6m

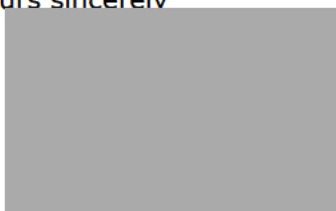
*The figures provided are year-to-date and not yet final.

Publishing of OIA response

Please note that Inland Revenue regularly publishes responses to requests that may be of interest to the wider public on its website. We consider this response is of public interest so will publish this response in due course. Your personal details or any information that would identify you will be removed prior to it being published.

Thank you again for your request.

Yours sincerely



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