



27 May 2025

[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 16 May 2025. You requested the following:

*Please can you advise what number of taxpayers who report residential rental income live overseas.*

*Please provide this number for all years from the 2019-20 income tax year until the 2022-23 income tax year, inclusive. I am not requesting data from more recent years as I understand from previous requests that this data is not yet complete.*

If a residential rental property is held through a company or trust, the entity would typically remain classified as a domestic taxpayer, regardless of the residency status of the underlying owner.

In cases where the property is held directly by an individual, there is no assurance that a non-resident taxpayer would transition to filing an IR3NR as they may submit a standard IR3 return via MyIR without notifying Inland Revenue of any change in residency. Inland Revenue may not have visibility over their physical location or residency status.

Therefore, your request for the number of taxpayers who report residential rental income that live overseas is refused under section 18(g) of the OIA, as the information is not held by Inland Revenue, and I do not believe it is held by another agency.

However, I can provide information based on the subset of taxpayers who are not tax-residents, and file non-resident income tax returns (IR3NR), where the return includes rental income. The volume of such taxpayers is presented in the table below.

*Non-resident individuals (IR3NR filers) with rental property income by tax year*

|                                          | <b>2019-20</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> |
|------------------------------------------|----------------|----------------|----------------|----------------|
| IR3NR filers with rental property income | 14,900         | 18,300         | 18,500         | 18,600         |

Please note the following caveat regarding the data:

- For the three-year period up to the 2021-22 income year, gross residential rental income was recorded in a field on tax returns that also included other income from residential property such as income from the sale of a property that was subject to brightline tax.

This was changed for the 2022-23 income tax return, with gross residential rental income being specifically requested in a separate field.

- In all years, current year residential deductions are captured in a single field. To characterise a taxpayer as having rental income in the year, I have looked for non-zero values in the residential rental income, residential rental deduction, and net residential rental income fields on the IR3 or IR3NR tax return.
- The information in the following table was extracted from income tax returns available in Inland Revenue systems on 20 May 2025. Figures have been rounded to the nearest 100.

### **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**