



12 October 2022

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 14 September 2022. You requested:

- 1) *Any papers, briefings, documents, emails, aide memoires or other documents which estimate the quantum of tax avoidance or scale of potential tax non-compliance through mobile payment/digital wallets such as Alipay, WeChat Pay, Apple Pay, Google Pay and any other similar products since Jan 1, 2020.*
- 2) *Any estimate of the number of NZ-based companies (and their revenues, if estimated) doing business to a non-trivial degree through the above digital wallets, where the wallets are or are possibly linked to foreign bank accounts, which would obscure or the amount of NZ taxable revenue earned.*

*([This information release on the IRD website](#) mentions Alipay and Apple Pay but does not need to be included in the response.)*

### **Information requested**

Inland Revenue does not have any documents that estimate the quantum of tax avoidance or scale of potential tax non-compliance through mobile payments or digital wallets since 1 January 2020. We also have not estimated the number of New Zealand-based companies doing business through mobile payments or digital wallets.

Your request is therefore refused under section 18(e) of the OIA, as the information does not exist.

### **Additional information: Collecting payment service provider data**

Payment service providers facilitate online payments between businesses and customers. Inland Revenue has been collecting bulk information from payment service providers since 2005 using section 17B of the Tax Administration Act (TAA). Section 17B of the TAA permits the Commissioner of Inland Revenue to require information or the production of documents. Section 17L of the TAA allows regulations to be made that authorise the regular collection of bulk data.

The data is used to ensure that taxpayers declare the correct amount of income in their tax returns. The data also enables Inland Revenue to apply a range of interventions. These can range from supporting taxpayers to get their returns right, to taking action against those who deliberately provide false returns.

Ref: 23OIA1338

***Rights 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: [CommissionersCorrespondence@ird.govt.nz](mailto: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 at: [info@ombudsman.parliament.nz](mailto:info@ombudsman.parliament.nz).

***Publishing OIA responses***

Please note that Inland Revenue regularly publishes responses to requests on its website if they may be of interest to the wider public. If this response is published, your personal details and any information that would identify you will be removed.

Thank you for your request.

Yours sincerely



Raelene Stewart  
**Group Lead, Microbusiness Segment**