

22 September 2026

Dear 

Thank you for your request made under the Official Information Act 1982 (OIA), received on 7 September 2026. You requested the following:

Pursuant to the Official Information Act, can you summarise in a letter a list of tax cuts between 1991-2000, please?

This response summarises changes to tax rates between 1991 and 2000. It covers personal income tax, company tax, trustee tax, and goods and services tax (GST).

Personal income tax

New Zealand's personal income tax system divides income into bands, with a different marginal tax rate applying only to the portion of income within each band. This means that if a person's income crosses into a higher band, the higher tax rate does not apply to all their income. Instead, it applies only to the portion of income above the threshold, while income within the lower bands continues to be taxed at the lower rates.

The personal income tax cuts during the period in-scope took effect on 1 July 1996 and 1 July 1997. The table below shows the rates and thresholds before and after those changes. They also show the effective marginal tax rates for individuals who qualified for the Low-Income Rebate (LIR).

The LIR reduced the effective marginal tax rate on the first \$9,500 of qualifying income to 15%. The rebate was progressively abated (clawed back) as income increased, which meant that the effective marginal tax rate on higher levels of income could differ from the statutory tax rate shown in the second column.

Personal income tax rates and thresholds

Tax band	Statutory tax rate	Effective rate with LIR
<i>1 April 1990 to 30 June 1996</i>		
\$0 - \$9,500	24%	15%
\$9,501 - \$30,875	24%	28%
\$30,876 and over	33%	33%

Tax band	Statutory tax rate	Effective rate with LIR
<i>from 1 July 1996</i>		
\$0 - \$9,500	21.5%	15%
\$9,501 - \$34,200	21.5%	24%
\$34,201 and over	33%	33%
<i>from 1 July 1997</i>		
\$0 - \$9,500	19.5%	15%
\$9,501 - \$38,000	19.5%	21%
\$38,001 and over	33%	33%
<i>from 1 April 2000</i>		
\$0 - \$9,500	19.5%	15%
\$9,501 - \$38,000	19.5%	21%
\$38,001 - \$60,000	33%	33%
\$60,001 and over	39%	39%

The first rates displayed were those that were already in place at the beginning of the requested period.

From 1 July 1996, the lower personal income tax rate was reduced from 24% to 21.5%, and the threshold at which the 33% rate applied was increased from \$30,875 to \$34,200. For individuals who qualified for the LIR, the effective marginal tax rate on income up to \$9,500 remained at 15%. The main impact of the change was on income between \$9,501 and \$34,200, where the effective marginal tax rate was reduced from 28% to 24%.

From 1 July 1997, the lower personal income tax rate was reduced from 21.5% to 19.5%, and the threshold at which the 33% rate applied was increased from \$34,200 to \$38,000. For individuals who qualified for the LIR, there was no change to the effective marginal tax rate on income up to \$9,500. The main impact of the change was on income between \$9,501 and \$38,000, where the effective marginal tax rate was reduced from 24% to 21%.

From 1 April 2000, a new personal income tax rate of 39% applied to income over \$60,000. This was a tax increase rather than a tax cut, but it is included to show the personal income tax rate applying at the end of the requested period.

Company tax, trustee tax, and GST

There were no changes to the rates of company tax, trustee tax, or GST during the requested period. The resident company income tax rate remained at 33%, the trustee tax rate remained at 33%, and the GST rate remained at 12.5%.

Publishing of OIA response

We intend to publish our response to your request on Inland Revenue's website (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



Melissa Siegel

Acting Policy Lead, Families & Individuals