

15 July 2020

Hon David Parker, Attorney-General

Consistency with the New Zealand Bill of Rights Act 1990: COVID-19 Response (Further Management Measures) Legislation Bill (No 2)

1. We have considered whether the COVID-19 Response (Further Management Measures) Legislation Bill (No 2) ('the Bill') is consistent with the rights and freedoms affirmed in the New Zealand Bill of Rights Act 1990 ('the Bill of Rights Act').
2. We have not yet received a final version of the Bill. This advice has been prepared in relation to the latest version of the Bill (PCO 23038/2.9). We will provide you with further advice if the final version of the Bill includes amendments that affect the conclusions in this advice.
3. The Bill is an omnibus bill that provides for changes to the following enactments:
 - a. Accident Compensation (Experience Rating) Regulations 2019;
 - b. Crown Entities Act 2004;
 - c. Crown Research Institutes Act 1992;
 - d. Income Tax Act 2007;
 - e. Local Government Act 2002;
 - f. Public Finance Act 1989;
 - g. State-Owned Enterprises Act 1986; and,
 - h. Tax Administration Act 1994.
4. The Bill makes changes to these enactments to remove regulatory requirements that have been made impracticable by the effects of the COVID-19 pandemic, and to streamline processes to enable the Government and New Zealanders to more effectively manage, and recover from, the impacts of COVID-19.
5. Specifically, the Bill:
 - a. extends certain deadlines for annual reporting, auditing and financial performance reporting for:
 - i. local bodies under the Local Government Act 2002;
 - ii. Crown research institutes under the Crown Research Institutes Act 1992;
 - iii. Crown entities under the Crown Entities Act 2004; and
 - iv. State-owned enterprises under the State-Owned Enterprises Act 1986;

- b. extends deadlines set out in the Public Finance Act 1989 for Ministers to provide end-of-year performance reporting for appropriations, for Treasury to provide a statement of long-term financial position and for departments to complete auditing procedures;
 - c. extends the application of the Accident Compensation (Experience Rating) Regulations 2019 to the 2021/22 tax year;
 - d. provides that expenditure funded through the research and development loan scheme is eligible expenditure for research and development tax credits under the Income Tax Act 2007;
 - e. provides a 14-day extension to in-work tax credit entitlement in cases where, due to a person's work-hours and income not meeting current criteria under the Income Tax Act 2007, there would otherwise be no entitlement;
 - f. enables the Commissioner of Inland Revenue ('the Commissioner') to extend or modify timeframes for requirements under the Tax Administration Act 1994, where this will be advantageous to the person subject to the requirement;
 - g. gives the Commissioner discretion to remit interest for the 2020-2021 tax year for taxpayers who accrue interest before their terminal tax date, if the criteria for this remission are met; and
 - h. ensure Inland Revenue can share certain information with Callaghan Innovation to enable Callaghan Innovation to make faster and better-informed decisions about applications under the research and development loan scheme in the Tax Administration Act 1994.
6. We have concluded that the Bill appears to be consistent with the rights and freedoms affirmed in the Bill of Rights Act.

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