

25 May 2020

Hon David Parker, Attorney-General

**Consistency with the New Zealand Bill of Rights Act 1990: Taxation (Annual Rates for 2020-21, Feasibility Expenditure, and Remedial Matters) Bill**

1. We have considered whether the Taxation (Annual Rates for 2020-21, Feasibility Expenditure, and Remedial Matters) Bill (“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 received a final version of the Bill. This advice has been prepared in relation to the latest version of the Bill IRD 22553/1.102. 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 amends the following legislation:
  - Income Tax Act 2007;
  - Tax Administration Act 1994;
  - Goods and Services Tax Act 1985;
  - Student Loan Scheme Act 2011;
  - KiwiSaver Act 2006;
  - Companies Act 1993;
  - Land Transfer Act 2017;
  - Social Security Act 2018;
  - Accident Compensation Act 2001;
  - Taxation (Disclosure of Information to Approved Credit Reporting Agencies) Regulations 2017; and
  - Public and Community Housing Management (Prescribed Elements of Calculation Mechanism) Regulations 2018.
4. The amendments in the Bill fall broadly into 3 categories.
  - I. The first category sets the annual rates of income tax for the 2020–21 tax year.
  - II. The second category comprises amendments aimed at improving current tax settings within a broad-base, low-rate framework. These include amendments to the income tax treatment of feasibility expenditure and land.

- III. The third category of amendments are aimed at modernising and improving the settings for tax administration, the goods and services tax regime, KiwiSaver and social policy rules administered by Inland Revenue. It also contains remedial amendments to the Companies Act 1993 and the Taxation (Disclosure of Information to Approved Credit Reporting Agencies) Regulations 2017.
5. We have concluded that the Bill appears to be consistent with the rights and freedoms affirmed in the Bill of Rights Act.



Jeff Orr  
**Chief Legal Counsel**  
**Office of Legal Counsel**