

Taxation (Annual Rates, Venture Capital And Miscellaneous Provisions) Bill

18 March 2004

Attorney-General

Legal Advice

Consistency With The New Zealand Bill Of Rights Act 1990:

Taxation (Annual Rates, Venture Capital and Miscellaneous Provisions) Bill

1. We have considered whether the Taxation (Annual Rates, Venture Capital and Miscellaneous Provisions) Bill (the "Bill") (050304IRD/1) is consistent with the New Zealand Bill of Rights Act 1990 ("Bill of Rights Act"). We understand the Bill will be considered by the Cabinet Legislation Committee at its meeting on Thursday, 25 March 2004.
2. We have concluded that the Bill appears to achieve overall consistency with the Bill of Rights Act.
3. The Bill seeks to introduce a number of significant changes to current taxation laws. In particular, the Bill will amend the Income Tax Act 1994 to assist in promoting venture capital investments in New Zealand by non-residents. The Bill will also introduce a rebate of income tax for small business taxpayers who pay tax on their self-employed or partnership income during their first year of business. Changes are also proposed to the Tax Administration Act 1994 to give effect to the post-implementation review of the rules governing the conduct of the tax disputes procedures.
4. In accordance with your instructions, we attach a copy of this opinion for referral to the Minister of Justice. A copy is also attached for referral to the Minister of Revenue, if you agree.

Val Sim Chief Legal Counsel Office of Legal Counsel	Stuart Beresford Senior Adviser Bill of Rights/Human Rights Team
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cc Minister of Justice
Minister of Revenue

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