



POLICY AND REGULATORY STEWARDSHIP

Tax policy report: High-Wealth Individuals Report release

Date:	27 March 2023	Priority:	Medium
Security level:	In Confidence	Report number:	IR2023/112

Action sought

	Action sought	Deadline
Minister of Revenue	Note the contents of this report Refer to the Minister of Finance for their information	NA

Contact for telephone discussion (if required)

Name	Position	Telephone
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27 March 2023

Minister of Revenue

High-Wealth Individuals Report release

Introduction

1. This report provides you with an update on publication plans for the High-Wealth Individuals Research Project report.

Report

2. We attach a copy of the near final report of Inland Revenue's High Wealth Individuals Research Project. The report has now been sent for proof reading.
3. The final results for the average all-income ETR for the family (excluding GST) are:
 - a. Median: 8.9%
 - b. Weighted mean: 9.8%
4. We draw your attention to the following sections which have been updated since the last version
 - a. The Executive Summary and Key Results sections (pages 9 -15)
 - b. Chapter 2 provides a PIE graph showing the wealth share of the top 2 percent (page 23)
 - c. Chapter 4 provides an updated section covering the tax system and GST (page 34)
 - d. Chapter 9 provides a graph of the share of real estate holdings by net worth decile excluding owner-occupied housing (page 63)
 - e. Chapter 12 has been updated for the final results and contains a section on the comparison of the asset based ETRs, and a graph based on the cumulative impact of the addition of income.
 - f. Chapter 15 provides the estimated net worth of the Project population. We estimate mean net worth of \$276 million and the median net worth of \$106 million (p121).

Publication

5. We plan to publish the High-Wealth Individuals Report on 18 April. The Treasury plan to publish their report on effective tax rates on the same day.
6. On the day of publication, we plan the following events.
 - a. Inland Revenue and the Treasury will pre-brief commentators, who may be approached by the media, in the mid-morning. We will send these individuals an embargoed copy of the report.

- b. If you consider a media briefing on the technical aspects of the report would be desirable, Inland Revenue would send media representatives an embargoed copy of the report in the morning and invite media to a technical briefing at midday.
 - c. We plan to release the report in the late afternoon.
 - d. Following release of the report we will hold some post-briefings on the report for select groups.
 - e. We will release the report on our website, along with a plain language factsheet (attached to this report).
7. We understand that you intend to give a speech prior to the launch of the report.

Consultation

8. We have provided the Treasury with a copy of this report.

Recommended action

We recommend that you:

refer a copy of this report and the fact sheet to the Minister of Finance for their information.

Referred/Not referred

9(2)(a)



Felicity Barker

Policy Lead, Economics

Policy and Regulatory Stewardship

Hon David Parker

Minister of Revenue

/ /2023