



Conduit tax relief account return

For the period 1 April to 31 March

- Complete this return only if the dividend withholding payment company has elected to be a conduit tax relief (CTR) company.
- Show the credit and debit entries arising during the imputation year (for the period 1 April to 31 March *regardless of your accounting year*).
- Attach this form to the company's income tax return.
- A CTR account is a memorandum account used to track conduit relief until it is distributed. Because relief is given on behalf of non-resident shareholders, it is necessary to ensure this relief is passed on to those shareholders.
- Conduit tax relief reduces the tax payable by a New Zealand resident company in proportion to its non-resident shareholders. It only applies to income derived as:
 - attributed foreign income from controlled foreign companies (CFCs)
 - foreign investment fund (FIF) income calculated under the accounting profits and branch equivalent methods, and
 - dividend withholding payment liabilities on foreign-sourced dividends.
- For help filling in this form, please read the notes on the back. For more information, phone us on 0800 443 773.

Name of company required to complete this form

IRD number (8 digit numbers start in the second box.)

Show the conduit tax relief account entries in the order that they arose. The entries and relevant dates are explained over the page.

Date	Source and description	Amount	Tick one
<input type="text"/>	Opening balance	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	<input type="text"/>	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit
<input type="text"/>	Closing balance	\$ <input type="text"/>	<input type="radio"/> Debit <input type="radio"/> Credit

Notes

This return must be completed by a dividend withholding payment company if it has elected to be a conduit tax relief (CTR) company.

Amount

This is the amount of credit and debit CTR account entries. If the previous balance is a credit, deduct a subsequent debit entry or add a subsequent credit entry. If the previous balance is a debit, add a subsequent debit entry or deduct a subsequent credit entry.

Opening balance

This must be the same as the closing balance of the CTR account at the end of the preceding imputation year. If this is the first imputation year the company is a CTR company, the opening balance is nil.

Closing balance

This is the difference between the aggregate amounts of credits and debits existing in the CTR account.

Source and description

(Use these to describe the debit and credit entries over the page.)

<i>Credits</i>	<i>Date of entry</i>
Income tax conduit rebate	Last day of the imputation year to the extent of the amount calculated under section OD 5 of the Income Tax Act 2007, or date return filed
Dividend withholding payment reduction for a dividend received	Date dividend withholding payment is due to be paid to Inland Revenue
Conduit tax relief credit attached to a dividend derived	Date dividend is paid
Subsequent correction credit to the extent it is not part of an arrangement to obtain a tax advantage	Date the relevant debit arose
A credit transferred from the company's dividend withholding payment account	Date immediately before the end of the imputation year
<i>Debits</i>	<i>Date of entry</i>
Conduit tax relief credit attached to a dividend paid by the company	Date dividend is paid
Conduit tax relief adjustment	Date income tax return filed
Allocation deficit debit	End of the imputation year in which the debit arises
Tax advantage arrangement debit	End of the imputation year in which the arrangement commenced
Conduit tax relief credit balance if there is a loss of resident shareholder continuity of 34% or more	When the 34% change threshold is first reached
Chain break debit	Date group relationship ceased
Termination debit if the company ceases to be a conduit tax relief company	Last day of operation before the company ceases to be a conduit tax relief company
Credit transferred from the company's dividend withholding payment account	Date immediately before the end of the imputation year
Credit transferred to the conduit tax relief account of a consolidated group	Date of transfer

More information

For more information about conduit tax relief, read our *Tax Information Bulletin (TIB)* Vol 10, No 4. You can get it from our website at www.ird.govt.nz