



11 April 2024

Dear [REDACTED]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 25 March 2024. You requested the following:

*The RIS for the Amendment Order to the current Bill includes statements on how less likely a property sold after 9 years is subject to tax under the intention test. It also refers to the "lock in" problem of a 10 year test if gains are made in the early period of holding.*

*My request is for any documents which provide Inland Revenue's technical support for the statements supporting the RIS's technical interpretation of the intention test.*

*For example, if the gain is made within the early years and the intention test is satisfied, the holding for a longer period does not mean the intention test is no satisfied. (The intention test applies no longer how long the property is held.)*

### **Information being refused**

Your request for documents which provide Inland Revenue's technical support for the identified statements in the regulatory impact statement for the Amendment Paper to the Taxation (Annual Rates for 2023-24, Multinational Tax, and Remedial Matters) Bill, is refused under section 18(e) of the OIA, as the documents alleged to contain the information requested do not exist.

### **Additional information**

The intention of the statement was not to say that in a given circumstance, holding for a longer period, may decrease the likelihood of the intention test applying. Rather, it was more a statistical commentary that if you compare the group of people holding property for up to two years with the group of people holding property for up to ten years, then we expect a higher proportion of the former group to be subject to tax under the intention test than the latter group.

### **Right of review**

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decision. To ask for an internal review, please email the Commissioner of Inland Revenue at: [CommissionersCorrespondence@ird.govt.nz](mailto:CommissionersCorrespondence@ird.govt.nz).

Alternatively, under section 28(3) of the OIA, you have the right to ask the Ombudsman to investigate and review my decision. You can contact the office of the Ombudsman by email at: [info@ombudsman.parliament.nz](mailto:info@ombudsman.parliament.nz). If you choose to have an internal review, you can still ask the Ombudsman for a review.

**Publishing of OIA response**

We intend to publish our response to your request on Inland Revenue's website ([www.ird.govt.nz](http://www.ird.govt.nz)) as this information may be of interest to other members of the public. This letter, with your personal details removed, will be published in its entirety. Publishing responses increases the availability of information to the public and is consistent with the OIA's purpose of enabling more effective participation in the making and administration of laws and policies and promoting the accountability of officials.

Thank you for your request.

Yours sincerely



Chris Gillion  
**Policy Lead**