



3 November 2023

[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 8 October 2023. You requested the following:

*I am interested in seeing how much tax professionals (accountants, lawyers, consultants) and lobbyists have an input on the policy development as part of the GTPP (or even outside of it) in relation to a capital gains or wealth tax. In particular, I wish to see any such information that is not published by the IRD. For example any training given by outside parties to IRD staff, informal or formal phone calls, emails and other forms of recorded communication made to staff of the Inland Revenue (those involved in the policy development process, whether that be for both national and international tax), in regards to development of tax policies like capital gains, wealth tax and other tax exempt forms of income, by lobbyists, accountants and lawyers. I am confident that calls made to or emails sent to IRD staff are recorded on the IRD systems. And I wish to understand any input made in relation to capital gains or a wealth tax and any such machinations that are a means to a similar end.*

On 16 October 2023, we attempted to clarify the scope and timeframe of your request. As mentioned, currently phrased your request covers extensive material over an unspecified timeframe. We asked that you consider:

1. Limiting the topic of your OIA request to examples of policy development (in the form of written communications) relating to capital gains tax and a wealth tax and;
2. Refine the time period covered by your request to the last 3 financial years.

As we did not receive a response, I have decided to refuse your request for *training given by outside parties to IRD staff, informal or formal phone calls, emails and other forms of recorded communication made to staff of the Inland Revenue (...)* in regards to development of tax policies like capital gains, wealth tax and other tax exempt forms of income, by lobbyists, accountants and lawyers under section 18(f) of the OIA, as the information requested cannot be made available without substantial collation or research.

I am also refusing your request for informal and formal phone calls under section 18(g) of the OIA, the information is not held by Inland Revenue. Inland Revenue does not record phone calls made between staff and external stakeholders on its systems.

## **Background on The Generic Tax Policy Process (GTPP)**

The Generic Tax Policy Process (GTPP) is used in New Zealand to assist in the development of tax policy. It is designed to help create better, more effective tax policy through early consideration of trade-offs, and increased opportunities for public consultation.

The GTPP has five distinct phases that tax policies may pass through. The process begins with the publication of economic and revenue strategies ("Strategic"), followed by the development and implementation of work programmes, for example, the tax policy work programme ("Tactical" and "Operational"). Finally, the detailed policy recommendations pass through the legislative process ("Legislative") and are then implemented and reviewed when appropriate ("Implementation and review"). Throughout all five steps, documents are publicised and there are opportunities for public consultation. Further information on the GTPP can be found at [taxpolicy.ird.govt.nz/about-us/how-we-develop-tax-policy](https://taxpolicy.ird.govt.nz/about-us/how-we-develop-tax-policy) and at [taxpolicy.ird.govt.nz/GTPP](https://taxpolicy.ird.govt.nz/GTPP).

To help you understand how Inland Revenue uses the GTPP process, we have provided information below pertaining to the policy development of a wealth tax and capital gains tax, as well as external training provided to Inland Revenue staff on general policy development.

### **Capital Gains Tax**

The latest work on a capital gains tax was for the Tax Working Group (TWG) process in 2018/19. Inland Revenue and the Treasury led the Secretariat to the TWG. Inland Revenue's advice on capital taxation can be found under the "Capital" heading at [Key documents | The Tax Working Group](#). Advice to the Government related to the TWG can be found at: [Index of Tax Working Group documents \(ird.govt.nz\)](https://www.ird.govt.nz/twg/index)

In terms of public input into the process, submissions on the TWG "Future of Tax: Submissions background paper" can be found at: [Submissions \(ird.govt.nz\)](https://www.ird.govt.nz/twg/submissions).

Following the TWG process, the Government of the day decided not to proceed with a capital gains tax, so no more formal consultation was undertaken.

### **Wealth Tax**

There was no consultation with tax professionals, including accountants, lawyers, consultants, and lobbyists, for the development of the wealth tax as this was considered as part of Budget 2023. You can read the advice Inland Revenue Officials provided the Government of the day on the Treasury's website at: [The Treasury | Budget 2023 Tax Initiatives Information Release](#).

### **External training**

Inland Revenue staff may attend training by external providers from time to time.

As part of our ongoing learning & development programme for Inland Revenue's Policy & Regulatory Stewardship, all policy advisors attend and complete Regimes and Principles of Tax courses delivered by Deloitte. These courses cover vast topics relating to tax rather than being focused on non-taxed sources of income.

### **Right of Review**

If you disagree with my decision on your OIA request, you can ask an Inland Revenue review officer to review my decisions To ask for an internal review, please email the Commissioner of Inland Revenue via: [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 via 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**

Please note that Inland Revenue regularly publishes responses to requests that may be of interest to the wider public on its website. We consider this response is of public interest so will publish this response in due course. Your personal details or any information that would identify you will be removed prior to it being published.

Thank you for your request.

Yours sincerely



Felicity Barker  
**Policy Lead, Economics**