



9 October 2024

[Redacted]

Dear [Redacted]

Thank you for your request made under the Official Information Act 1982 (OIA), received on 19 August 2024. The information you requested is outlined in **Appendix A**.

On 28 August 2024, we contacted you to clarify your request. Following our conversation with you, we have interpreted your request to be for the following:

The total amount spent by Inland Revenue on providing technical advice about the interpretation and application of tax law in each of the last three years. Including a breakdown of spending on, but not limited to:

- 1. Total spend on standalone externally published guidance such as Interpretation statements, binding public rulings, and determinations.*
- 2. Total spend on all advertisements generated, as Inland Revenue's purpose of advertisements are for providing advice on the application of tax law.*
- 3. Total spend on all social media campaigns generated, as Inland Revenue's purpose of social media engagement is to provide advice on the application of tax law.*
- 4. Total spend on advisory services concerning or related to cryptocurrency*
- 5. Total spend of internally created legal opinions and total amount spent on external opinions (such as Crown Law)*
- 6. Total spend on all workshops that provide advice to customers.*
- 7. Total spend on printed publications and brochures Inland Revenue provides.*
- 8. Total spend on training for staff in business areas such as Legal Services, the Tax Counsel Office etc.*
- 9. Research and analysis commissioned to support tax law interpretation*
- 10. Total spend on Inland Revenue's websites as this cannot be separated into specific 'tax guidance' and Inland Revenue's websites purpose are to provide advice on the application of tax law*

As background, one of Inland Revenue's key roles is to maintain the integrity of the tax system and support voluntary compliance. A significant part of Inland Revenue's operational activities is about helping people to get it right. This includes, for example, providing guidance on a day-to-day basis to individual customers as well as publishing technical guidance to support customers to meet their obligations.

The majority of formal written tax technical guidance and legal support for Inland Revenue is provided between our Tax Counsel Office, Legal Services and Technical Specialist Network teams. These teams have a broad range of responsibilities, including:

- providing Inland Revenue advice and support services to assist in the resolution of complex tax and social policy issues
- litigating and prosecuting where enforcement is necessary
- assisting Inland Revenue to identify and resolve issues arising from legislation, court cases and tax disputes
- providing technical, commercial and case management advice
- applying a high level of legal and tax technical expertise on the interpretation and application of tax laws
- publishing tax technical and operational guidance.

Time is not directly allocated to specific tasks, for example 'providing technical advice' across all areas of Inland Revenue. Unlike private businesses that generate revenue through billable hours or sales, Inland Revenue relies mostly on appropriations from the government to fund its operations. You can read more about appropriations here: [A Guide to Appropriations | The Treasury New Zealand](#).

However, we have provided high level estimates of what the costs may be for some of these tasks / items, based on actual staff salary costs and estimated time spent on these tasks by the Tax Counsel Office, Legal Services and Technical Specialist Network teams (items 1 and 9).

For items 2, 5, 7, 8 and 10, these amounts do not include staff salary costs and time spent.

Items 1, 4, 5 and 9: Technical Advice

Total spend on standalone externally published guidance such as Interpretation statements, binding public rulings, and determinations for the last 3 financial years.

The amounts in the table below include estimates of staff time spent on various projects that support the external guidance and publications that Inland Revenue provides on its websites for its customers. The amounts also include the total spend on external consultants for valuations which are required for some determinations.

Some of the spend for published guidance and determinations cannot be reported on separately. The estimates for these are included within the overall research and analysis estimates (refer page 3).

Financial Year	Estimated spend on externally published guidance
2023/2024	\$3.089m
2022/2023	\$3.041m

Financial Year	Estimated spend on externally published guidance
2021/2022	\$2.788m

Total spend on advisory services concerning or related to cryptocurrency for the last 3 financial years.

Advisory services relating to cryptocurrency is considered business as usual for Inland Revenue staff and the specific cost of this is not recorded. Your request for this information is therefore refused under section 18(g) of the OIA, as the information is not held by Inland Revenue, and we do not believe it is held by another agency.

Total spend of internally created legal opinions and total amount spent on external opinions (such as Crown Law) for the last 3 financial years.

The estimated spend of internally created legal opinions is combined with the overall research and analysis estimates in the answer to item 9 "Total spend on research and analysis commissioned to support tax law interpretation for the last 3 financial years", below, as this estimated cost cannot be determined in isolation.

Inland Revenue is required to instruct Crown Law on cases and matters before a court or tribunal. It is not possible to separate out spend likely to relate to opinions from advocacy, drafting of pleadings and other tasks associated with litigation.

The below table outlines the total spend on external opinions (predominantly Crown Law).

Financial Year	Actual spend on external legal opinions
2023/2024	\$1.595m
2022/2023	\$1.973m
2021/2022	\$1.213m

Total spend on research and analysis commissioned to support tax law interpretation for the last 3 financial years.

Inland Revenue does not maintain systems that enable it to separate out internal effort on research and analysis and from the overall activity of providing legal opinions and guidance.

The amounts in the below table are based on actual salaries and estimated staff time undertaking legal and tax technical work. This includes estimated time spent on work that requires the interpretation and application of tax law. Examples include drafting legal/technical opinions, legal research, disputes, prosecutions etc.

Financial Year	Estimated spend on research and analysis
2023/2024	\$22.047m

Financial Year	Estimated spend on research and analysis
2022/2023	\$18.644m
2021/2022	\$17.597m

Items 2 and 3: External marketing and communications

Total spend on all advertisements, as Inland Revenue's purpose of advertisements are for providing advice on the application of tax law for the last 3 financial years.

Inland Revenue spent approximately \$0.766m on all advertising in the 2023/2024 financial year.

The total spend for the 2022/2023 and 2021/2022 financial years are included in Inland Revenue's responses to the Finance and Expenditure Committee (FEC) Annual Review written questions. I have therefore decided to refuse this part of your request for this under section 18(d) of the OIA, as the information requested is publicly available:

- [Question 50 of the 2022/2023 Annual Review](#)
- [Question 50 of the 2021/2022 Annual Review](#)

Total spend on all social media campaigns generated, as Inland Revenue's purpose of social media engagement is to provide advice on the application of tax law.

As a portion of Inland Revenue's marketing spend is through advertising agencies, where a campaign and the contract for that campaign includes multiple advertising channels (for example, social media, web advertising, radio etc), we are unable to break down the total spend on social media campaigns specifically. Therefore, this part of your request is refused under section 18(g) of the OIA, as the information requested is not held by Inland Revenue.

However, you may be interested in the advertising, public relations campaigns or publications, and the cost of them, which are outlined in the response to Annual Review written questions provided above (see Question 51 for both 2021/2022 and 2022/2023).

Item 8: Training for Technical staff

Total spend on training for staff in business areas such as Legal Services, the Tax Counsel Office etc for the last 3 financial years.

The below table outlines the total spend on external tax technical training, exam fees and study fees. It does not include the cost of the staffs' time during training, or travel costs.

Financial Year	Actual spend on training
2023/2024	\$0.158m
2022/2023	\$0.108m
2021/2022	\$0.144m

Items 6, 7 and 10: Customer advice

Total spend on all workshops that provide advice to customers for the last 3 financial years.

Holding workshops and seminars with taxpayers is considered business as usual for Inland Revenue staff and the specific cost of this is not recorded. Your request for this information is therefore refused under section 18(g) of the OIA, as the information is not held by Inland Revenue, and we do not believe it is held by another agency.

You may be interested in Inland Revenue's response to the FEC Annual Review Question 51, which details the types of targeting campaigns/workshops Inland Revenue regularly runs to educate customers:

- [Question 51 of the 2022/2023 Annual Review](#)
- [Question 51 of the 2021/2022 Annual Review](#)

Total spend on printed publications and brochures Inland Revenue provides for the last 3 financial years.

The total spend on printed publications and brochures excludes Inland Revenue's Annual Report and publications printed as part of advertising campaigns. The costs for these publications printed as part of advertising campaigns are covered under the response to item two of your request.

The totals in the table below include design, editing, warehouse, logistics and the cost of purchasing printed copies of publications.

Financial Year	Actual spend on publications
2023/2024	\$0.537m
2022/2023	\$0.654m
2021/2022	\$0.260m

Total spend on Inland Revenue's websites for the last 3 financial years.

Inland Revenue spent \$2.036m on operating Inland Revenue websites in the 2023/2024 financial year.

The total spend for the 2022/2023 and 2021/2022 financial years are included in Inland Revenue's responses to the FEC Annual Review written questions. I have therefore decided to refuse this part of your request for this under section 18(d) of the OIA, as the information requested is publicly available:

- [Question 32 of the 2022/2023 Annual Review](#)
- [Question 32 of the 2021/2022 Annual Review](#)

The annual cost of operating Inland Revenue's websites includes 3 external websites and Inland Revenue's internal intranet. The table below sets out the external websites currently operated by Inland Revenue.

Name	Purpose	Established
Inland Revenue website ird.govt.nz	The site provides information and self-service interactive services to a broad range of tax and social policy customers.	April 2019
Tax Policy website taxpolicy.ird.govt.nz	This site provides news and information about tax policy developments in New Zealand.	October 1999
Tax Technical website taxtechnical.ird.govt.nz	This site provides Inland Revenue's interpretations of existing tax law for use by tax professionals and accountants.	May 2020

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.

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.

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 (ird.govt.nz) as this information may be of interest to other members of the public. This letter, with your personal details removed, may 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 again for your request.

Yours sincerely



Thomas Allen
Domain Lead, Governance and Ministerial Services

Appendix A – Original request

This is a request for Official Information under the Official Information Act 1982 in relation to advice about the interpretation and application of tax law.

We request the following information:

The total amount spent by Inland Revenue on providing technical advice about the interpretation and application of tax law in each of the last three years. Including a breakdown of spending on, but not limited to:

- *Interpretation statements, binding public rulings, and determinations*
- *Advertisements (print and/or digital)*
- *Social media campaigns*
- *Advisory services concerning or related to cryptocurrency*
- *Legal opinions and external consultancy fees*
- *Workshops, seminars, and public outreach programs*
- *Publications, brochures, and informational material*
- *Training and professional development for staff related to tax law interpretation*
- *Research and analysis commissioned to support tax law interpretation*
- *Website development and maintenance for tax guidance content*