



29 October 2024

[REDACTED]  
[REDACTED]  
[REDACTED]

Dear [REDACTED]

This letter responds to your four requests made under the Official Information Act 1982 (OIA), received on 7 October 2024. You requested the following:

**Request 25OIA1443**

*"I noticed an RNZ report on the number of property investors who have made a loss in recent years: <https://www.rnz.co.nz/news/business/529846/more-than-50-000-property-investors-making-losses>. The article says this information comes from an OIA request. Please could you send me the information this article was based on. The author of the article, Susan Edmunds, may have been the person to make the OIA request."*

**Request 25OIA1444**

*"Please can you tell me the total number of taxpayers who declared income from rental properties for the last ten financial years. That is, from FY 2013/14 up to FY 2023/24. Please can this information be broken down by taxpayers who are individuals, companies, trusts and other entities (if any), plus the total number."*

**Request 25OIA1445**

*"For the tax year ending 31 March 2024 (if possible as may not be available yet), could you please advise: the number of taxpayers (individual and non-individual) declaring negative net rents (that is, residential rental losses), and the average amount of the loss."*

**Request 25OIA1446**

*"For the ten tax years ending 31 March 2015 and to 31 March 2024, could you please advise: the number of taxpayers (individual and non-individual) declaring rental property income (whether profit or loss), and the total amount of tax paid on that income. the average amount of tax paid on that income."*

Prior to the 2019-20 income tax year, taxpayers were only required to report their net income from all rentals in a single field. Changes to income tax returns from the 2019-20 income tax year onwards require the separate reporting of income and expenses from *residential* rental property from other types of rental income.

Your requests for information relating to residential rental income, losses and tax on residential rental income for periods prior to the year ending 31 March 2020 is 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.

## Caveats

The information in the following tables is extracted from income tax returns available in Inland Revenue systems on 22 October. Income tax returns for the 2023-24 income year are still being filed and the information presented for this year is a progress total.

For the three-year period up to the 2021-22 income year, gross residential rental income was recorded in a field on tax returns that also included other income from residential property such as income from the sale of a property that was subject to brightline tax. This was changed for the 2022-23 income tax return, with gross residential rental income being specifically requested in a separate field. In all years, current year residential deductions are captured in a single field.

For the purposes of the provided tables, a taxpayer is defined as having positive residential rental income if their residential income (2019-20 to 2021-22) or residential rental income (2022-23 and 2023-24) is more than their reported current year residential deductions. Note that a taxpayer so defined may not have a tax obligation in that year if they can claim ring-fenced expenses from an earlier year to offset the income.

A taxpayer is defined as having negative residential rental income if their residential income (2019-20 to 2021-22) or residential rental income (2022-23 and 2023-24) is less than their reported current year residential deductions. Note that negative residential rental income is ring-fenced and has no immediate tax impact.

Calculations of tax paid on residential rental income are done as if the (positive) residential rental income was the last dollar earned.

### Request 25OIA1443

The information used in the RNZ report is publicly available. Consequently, I am refusing your request for this information under section 18(d) of the OIA, as the information requested is publicly available on Inland Revenue's website at [Inland Revenue's response to 25OIA1196 Number of taxpayers declaring negative net rents and the average loss for 2022 and 2023](#)

### Request 25OIA1444

The below table outlines the number of taxpayers who have declared income or losses from residential rental properties from the 2020 income tax year onwards.

Number of taxpayers declaring income from residential rental properties					
Tax year	2019-20	2020-21	2021-22	2022-23	2023-24*
Individuals	178,350	223,550	234,550	235,350	129,420
Companies	11,110	15,700	17,770	17,640	7,330
Trusts	36,920	49,430	52,340	51,470	20,230
Māori Authorities	150	170	190	190	60
Clubs/Societies	40	50	60	50	30

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**Number of taxpayers declaring income from residential rental properties**


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Tax year	2019-20	2020-21	2021-22	2022-23	2023-24*
Total	226,580	288,900	304,910	304,700	157,060

\* The 2024 tax year is not completely finalised. Returns for the 2023-24 tax year are not due until 31 March 2025 for customers with an extension of time. Numbers have been rounded to the nearest 10, and columns may not sum to the total due to rounding.

**Request 25OIA1445**

The below table outlines the number of taxpayers who have declared **negative** net rent from residential rental properties from the 2019-20 tax year onwards.

Tax Year	Number of taxpayers declaring negative net rents
2019-20	90,430
2020-21	81,910
2021-22	51,940
2022-23	54,040
2023-24*	26,310

\*The 2023-24 tax year is not completely finalised. Returns for the 2023-24 tax year are not due until 31 March 2025 for customers with an extension of time. Numbers have been rounded to the nearest 10.

The below table outlines the average negative net rent declared from residential rental properties from the 2020 tax year onwards. Negative net rents are ringfenced and have no immediate tax impact.

Tax Year	Average rental loss (\$)
2019-20	-6,890
2020-21	-7,030
2021-22	-7,440
2022-23	-9,030
2023-24*	-9,780

\*The 2023-24 tax year is not completely finalised. Returns for the 2023-24 tax year are not due until 31 March 2025 for customers with an extension of time. Numbers have been rounded to the nearest \$10.

**Request 25OIA1446**

The following table outlines the number of taxpayers who have declared income from residential rental properties for the 2019-20 tax year, the total amount of tax paid and the average amount of tax paid.

	<b>Number declaring rental losses (current year)</b>	<b>Number declaring rental profit (current year)</b>	<b>Number declaring rental profit (after brought forward expenses claimed)</b>	<b>Total tax paid if rental income was the marginal income (\$m)</b>	<b>Average tax paid (\$)</b>
Individuals	76,420	101,940	98,710	222.9	2,260
Companies	4,000	7,120	6,550	132.1	20,180
Trusts	9,980	26,940	26,830	161.3	6,010
Māori Authorities	30	120	120	0.4	3,510
Clubs/Societies	10	30	30	0.1	2,790
All	90,430	135,030	132,240	516.8	3,910

The below table outlines the number of taxpayers who have declared income from residential rental properties for the 2020-21 tax year, the total amount of tax paid and the average amount of tax paid. Numbers have been rounded to the nearest 10 or \$0.1 million.

	<b>Number declaring rental losses (current year)</b>	<b>Number declaring rental profit (current year)</b>	<b>Number declaring rental profit (after brought forward expenses claimed)</b>	<b>Total tax paid if rental income was the marginal income (\$m)</b>	<b>Average tax paid (\$)</b>
Individuals	65,960	157,590	140,880	342.2	2,430
Companies	4,970	10,730	9,150	135.9	14,850
Trusts	10,930	38,500	36,560	235.1	6,430
Māori Authorities	40	130	120	0.5	4,290
Clubs/Societies	10	40	40	0.1	2,990
All	81,910	205,460	186,750	713.9	3,820

The below table outlines the number of taxpayers who have declared income from residential rental properties for the 2021-22 tax year, the total amount of tax paid and the average amount of tax paid. Numbers have been rounded to the nearest 10 or \$0.1 million.

	<b>Number declaring rental losses (current year)</b>	<b>Number declaring rental profit (current year)</b>	<b>Number declaring rental profit (after brought forward expenses claimed)</b>	<b>Total tax paid if rental income was the marginal income (\$m)</b>	<b>Average tax paid (\$)</b>
Individuals	39,970	194,580	168,370	505.5	3,000
Companies	3,810	13,950	11,350	138.2	12,170
Trusts	8,110	44,230	40,710	307.2	7,550
Māori Authorities	40	160	140	0.8	5,900
Clubs/Societies	10	40	40	0.1	3,550
All	51,940	251,280	220,610	951.9	4,310

The below table outlines the number of taxpayers who have declared income from residential rental properties for the 2022-23 tax year, the total amount of tax paid and the average amount of tax paid. Numbers have been rounded to the nearest 10 or \$0.1 million.

	<b>Number declaring rental losses (current year)</b>	<b>Number declaring rental profit (current year)</b>	<b>Number declaring rental profit (after brought forward expenses claimed)</b>	<b>Total tax paid if rental income was the marginal income (\$m)</b>	<b>Average tax paid (\$)</b>
Individuals	41,530	193,820	175,540	570.9	3,250
Companies	4,050	13,590	11,480	94.4	8,230
Trusts	8,400	43,070	40,610	336.70	8,290
Māori Authorities	50	150	140	0.7	5,190
Clubs/Societies	10	40	40	0.2	4,590
All	54,040	248,000	227,800	1,002.9	4,400

The below table outlines the number of taxpayers who have declared income from residential rental properties for the 2023-24 tax year, the total amount of tax paid and the average amount of tax paid. Numbers have been rounded to the nearest 10 or \$0.1 million.



	<b>Number* declaring rental losses (current year)</b>	<b>Number* declaring rental profit (current year)</b>	<b>Number* declaring rental profit (after brought forward expenses claimed)</b>	<b>Total tax* paid if rental income was the marginal income (\$m)</b>	<b>Average tax paid (\$)</b>
Individuals	21,720	107,700	99,300	339.8	3,420
Companies	1,600	5,730	4,910	40.8	8,310
Trusts	2,970	17,260	16,310	142.8	8,750
Māori Authorities	10	40	40	0.1	2,890
Clubs/Societies	10	20	20	0.1	6,460
All	26,310	129,290	120,580	523.6	4,340

\*Progress totals as 2023-24 tax returns are still being filed. Data extracted 22 October 2024.

### 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 ([ird.govt.nz](http://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

Sandra Watson

**Policy Lead, Forecasting and Analysis**