

19 August 2015

Grant Haley  
Manager, Public Rulings  
Office of the Chief Tax Counsel  
Inland Revenue  
P O Box 2198  
WELLINGTON 6140

By email: [grant.haley@ird.govt.nz](mailto:grant.haley@ird.govt.nz)

Dear Grant

**Public Rulings Draft Work Programme 2015-16**

1. The New Zealand Law Society's Tax Law committee appreciates the opportunity to comment on Inland Revenue's Public Rulings draft work programme 2015-16, and makes the following brief comments.
2. The Law Society welcomes the inclusion in the draft work programme of the proposed review of the 1989 TIB<sup>1</sup> on the taxation of trusts, and the provision of further guidance (with practical examples) on the application of compulsory zero-rating rules and the "purpose or intention" of disposal test.
3. The Law Society suggests that Inland Revenue could take the opportunity to finalise the draft rulings on insurance and rental apportionments when it reissues the related Br Pub 10/10 – 10/13 (GST – Local authority rates apportionments).
4. It would be helpful if the review of PIB 179 (deductibility of costs of land development and other expenses) could be extended to consider the apportionment of costs on long-term staged developments (on which there is currently very little guidance).
5. The Law Society wishes to see included in this year's draft work programme the deductibility of forex losses (e.g. when borrowing or investing in a foreign currency) under the financial arrangements rules.

---

<sup>1</sup> Appendix to TIB Vol 1, No 5, November 1989

6. If you wish to discuss this further, please do not hesitate to contact me through the committee secretary Jo Holland (04 463 2967 / [jo.holland@lawsociety.org.nz](mailto:jo.holland@lawsociety.org.nz)).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Neil Russ', written in a cursive style.

Neil Russ

**Convenor, NZLS Tax Law Committee**