

4 October 2016

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By email: paul.quirke@ird.govt.nz

Dear Paul

Taxation (Business Tax, Exchange of Information, and Remedial Matters) Bill: Supplementary Order Paper 190

Thank you for your email of 26 September 2016, advising of further proposed amendments to the Taxation (Business Tax, Exchange of Information, and Remedial Matters) Bill, primarily to reflect the concerns expressed by submitters regarding Supplementary Order Paper 190.

Overall, the proposed changes are welcome. However, the Law Society considers that proposed section 227B(3)(a) should be amended to read as follows:

(3) The Minister may recommend the making of regulations under this section only if satisfied that the regulations—

(a) are **demonstrably necessary to achieve** ~~made for~~ the purpose set out in subsection (1A), and are consistent with the purposes of the Inland Revenue Acts, **and no other legislative option is practicable:**

The Law Society is of the view that changes should not be capable of being retrospective. The Law Society also opposes the proposal to extend the changes (at a very late stage in the legislative process, with minimal consultation) to Part R of the Income Tax Act 2007, and to the GST Act 1985.

If you wish to discuss this further, please contact the Tax Law Committee convenor Neil Russ, via the committee secretary, Jo Holland at jo.holland@lawsociety.org.nz / 04 463 2967.

Yours sincerely



Kathryn Beck
President