



Corporate Taxpayers Group

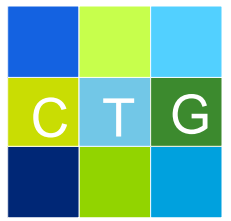
Transforming Inland Revenue - a business perspective

Tax Administration in the 21st Century Conference

12 June 2014



Setting the scene



“Some regard private enterprise as if it were a predatory tiger to be shot. Others look upon it as a cow that they can milk. Only a handful see it for what it really is – the strong horse that pulls the whole cart.”

Winston Churchill



Setting the scene



“The art of taxation consists in so plucking the goose as to obtain the largest possible amount of feathers with the smallest possible amount of hissing.”

Jean-Baptiste Colbert

Finance Minister to Louis XIV

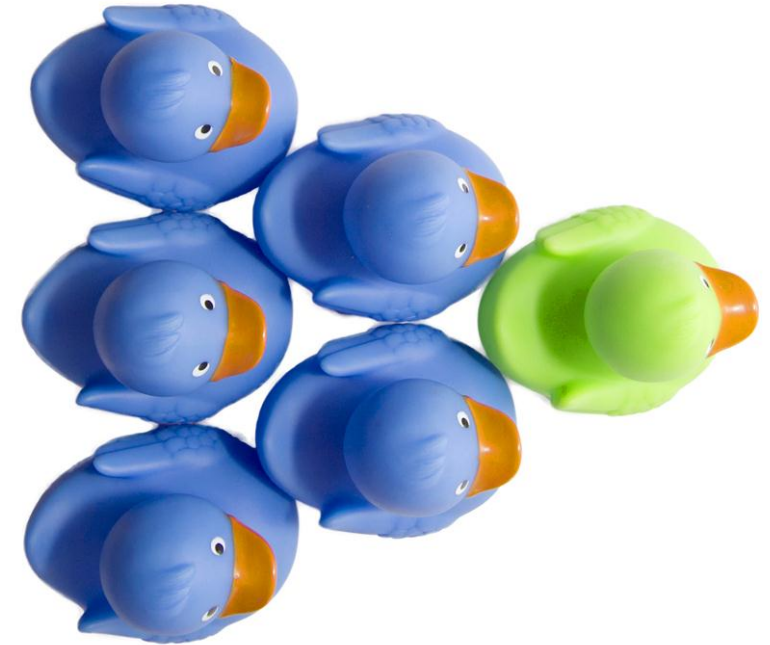


Setting the scene

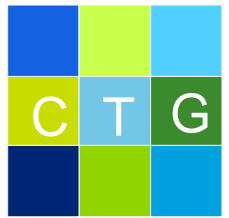


The three Cs.....

- Certainty
- Compliance Costs
- Competitiveness



The three Cs...



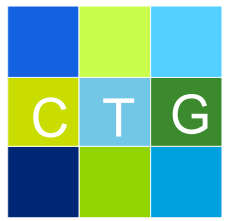
Certainty	Compliance Costs	Competitiveness
BBLR	No nickel & dime taxes	No nickel & dime taxes
GTPP	Enhanced relationships	Statutory thresholds
IR “As One” / trust and accountability	Provisional tax, penalties & UOMI	DTA network
Remedial fixes	Legislative drafting	Tax policy – facilitative and nimble / mind set
Application of GAAR, penalties and UOMI	NRCT and FBT	Innovation needed
Binding rulings	Care and management	NZ as a business destination – “NZ Inc story”
Enhanced relationships	Administrative solutions	
Care and management	Purity v reasonable proxies & safe harbours	

Self assessment

The Group believes that true self assessment is the key to an efficient tax system:

- General self-assessment
- Binding rulings
- Filings and Errors
- Late payment penalties



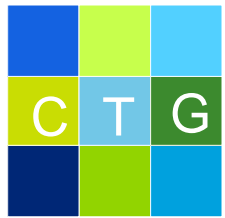


Role of Inland Revenue

It is crucial that Inland Revenue shifts its focus and its resources towards providing leadership in the administration of the tax system:

- Information collection
- Electronic communication with IR
- Assurance & Advice
- Tax policy





Role of Inland Revenue

The importance of appropriate tax policy:

- GTTP
- Post implementation reviews
- Simplify tax settings
- Tax competitiveness



Conclusion

- Transform is about more than just efficient processing
- Equal focus on tax system management & tax policy
- Keep the horse and geese content

