



Inland Revenue
Te Tari Taake

IR 261
February 2003

Direct selling

**Tax facts for people who
distribute for direct selling
organisations**

Introduction

Direct selling is quite different from other ways of doing business in New Zealand. Because of this, many people who start working as distributors for direct selling organisations are unsure about how the tax rules affect them.

If you are a distributor for a direct selling organisation in New Zealand, this booklet is for you. We've written it to help you understand how to meet your tax obligations.

Read page 7 to find out whether you are a commission agent, an independent reseller or an employee.

Note

The information in this booklet is based on the tax laws at the time of printing.

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Part 1 – Commission agent, independent reseller or employee?

Who are direct selling distributors?

Direct selling organisations sell products to the public through their distributors. The distributors may purchase the products and sell them at a marked-up price or sell them on behalf of the organisation for a commission. Distributors might also sponsor other distributors into the organisation and teach them how to sell and sponsor. These other distributors are downliners. Distributors are normally independent from the direct selling organisation.

When you set up as a distributor for a direct selling company you fall into one of three categories for tax purposes—commission agent, independent reseller or employee. The first two types of distributors are normally self-employed but there are important differences in their tax treatment. The tax rules for employees are entirely different from the rules for self-employed people.

It's important that you know whether you are a commission agent, an independent reseller or an employee.

Are you in business?

The first step in working out which tax rules apply to you is to establish whether for tax purposes you are “in business”.

If you're in business for yourself then you are either an independent reseller or a commission agent. Employees are not in business—their employers are.

As far as the income tax rules are concerned, you are in business if the nature of your activities is businesslike and indicates an intention to make a profit.

If you only buy products for yourself or as gifts for others and have no intention of making a profit from selling those products then you're not in business. Deciding whether or not you are in business under the tax laws is not always clear cut. If you are unsure, phone us on 0800 227 774 for advice.

Your relationship with the direct selling organisation

It's important that you know exactly what your status is with the direct selling organisation so that you know which tax rules affect you. The table below shows the most common relationships between direct selling organisations and their distributors and briefly describes their tax obligations.

<p>If you...</p> <p>...earn a salary or wage from the direct selling organisation</p>	<p>If you...</p> <p>...are paid solely on a commission basis for products you sell</p>	<p>If you...</p> <p>...buy products from the direct selling organisation at wholesale prices and sell them at retail prices</p>
<p>..then you are..</p> <p>an employee.</p>	<p>..then you are..</p> <p>a commission agent.</p>	<p>..then you are..</p> <p>an independent reseller.</p>
<p>So...</p> <p>PAYE and ACC earner levy are deducted from your wages.</p> <p>You cannot claim expenses.</p>	<p>So...</p> <p>withholding tax is deducted from your payments.</p> <p>You may have to register for GST.</p> <p>You can claim expenses if you are in business.</p>	<p>So...</p> <p>you must pay your own tax.</p> <p>Your direct selling organisation does not deduct tax from payments to you.</p> <p>You may have to register for GST, and you can claim expenses.</p>

If you're not sure what sort of distributor you are, phone us on 0800 377 774.

Employees

If your only source of income is as an employee of a direct selling organisation you will need to fill in a *Tax code declaration (IR 330)* form and give it to the business you sell the product for. They will deduct the appropriate PAYE and pay it to us. The rest of this booklet is for commission agents and independent resellers (downliners).

Commission agents

If your income is commission from your sales then withholding tax will have to be deducted from your commissions. Fill in an IR 330 and give it to the business you sell the product for. They will then deduct 20% withholding tax from your gross commission and pay it to us.

Keep a record of expenses you incur in selling the products. You will be able to claim those expenses against your commission received when you file your IR 3 tax return at the end of the financial year.

Read Part 2 for details on filing tax returns, Part 3 for expenses you can claim and Part 4 for GST obligations.

Independent resellers

As an independent reseller you are self-employed. Being self-employed means that you are responsible for paying your own tax on your direct selling business profit. Profit is the amount of income left after all expenses have been deducted. You will have to file an IR 3 tax return by 7 July each year. If you have a tax agent this date will be different.

If you are in a partnership you will pay tax on your share of the partnership profit. You will have to file an IR 7 tax return for your partnership, as well as an IR 3 return for yourself.

You must include a set of your direct selling financial accounts with your IR 3 return or complete an IR 3B schedule of business income.

Part 2 – General information about being in business

In Part 1 we set out some guidelines to help you decide whether you are in business. This part sets out some general tax facts that all business people need to know about.

Record keeping

An important requirement for all businesses is to keep full and accurate records. You must keep these records in a safe place for a period of seven years. Your records must be accurate enough to allow us to calculate the income and expenses of your business, and to confirm your accounts. Records you need to keep include:

- books of account to record receipts and payments
- bank statements and deposit slips
- receipts
- a list of the business assets and liabilities
- invoices issued.

For more help

If you would like more information on record keeping, get a copy of our booklet *Smart business (IR 320)* either from our website or by phoning INFOexpress (see page 29).

Filing your returns

For most businesses, the accounting year ends on 31 March. This is their balance date. If you want a balance date other than 31 March, you must apply in writing to us, stating the reasons for the change.

For a 31 March balance date, you must send your IR 3 tax return to Inland Revenue by 7 July. Any tax owing as a result of that return should be paid by 7 February in the following year.

Example

Fred is self-employed and has a 31 March balance date. He must file his 2002 IR 3 tax return by 7 July 2002. He does this and finds that he owes \$780.22 in tax.

Fred must pay this tax by 7 February 2003.

Note

If you have a tax agent these dates will be different.

Provisional tax

If you are running a business, you have to budget for paying your own tax to Inland Revenue. Unless your profit is very small, you will have to start paying provisional tax. Even commission agents who have withholding tax deducted from their commissions may have to pay provisional tax.

You pay provisional tax in three instalments through the year, so you will have to budget for these payments in the financial planning of the business.

Are you liable for provisional tax?

When you work out the financial accounts for your business after your balance date each year, you will know how much profit (or loss) the business made. This profit or loss goes into your tax return as part of your taxable income. You can then work out the tax due on your total year's income.

After deducting any other tax already paid on your behalf (such as PAYE or withholding tax), the result is your residual income tax. If the residual income tax is \$2,500 or more you must pay provisional tax for the following year.

When you start your business

Because provisional tax is based on your previous year's tax you will probably not have to pay any provisional tax during your first year in business. However it's very important that you're prepared for future provisional tax payments by budgeting for them in your first year.

For more help

Read our booklet *Provisional tax (IR 289)*. It explains what provisional tax is, what income it is charged on and how to pay it. You can view this on our website or order a copy through INFOexpress, see page 29.

Part 3 – Claiming expenses

Expenses

Generally, an expense is deductible for income tax purposes if it was incurred in generating taxable income or is necessary for carrying on a business.

Expenses may be deducted even if they do not produce income immediately, but are expected to do so in the future.

You can't claim private living expenses, nor can you claim the cost of purchasing most assets such as motor vehicles and computers.

If you buy an asset and use it both in your business and privately, you will have to apportion the use of that asset between business and private use.

The cost of assets can be written off (depreciated) over a number of years covering the life of the asset. See page 20 for more information. The way you acquire assets can sometimes make a difference to what you can claim. For example, rental payments for leased assets are often fully deductible.

Following are some of the more common types of business expenses.

Cost of goods sold

Independent resellers buy goods and resell them. This means one of their major expenses is the cost of the goods they sell.

Commission agents do not usually buy the stock they sell, so they do not claim for the cost of goods sold.

The cost of goods sold is made up of three parts—purchases, opening stock and closing stock. Independent resellers subtract the cost of goods sold from their sales total to get their gross profit.

Purchases is a fairly straightforward item. It is simply the amount you pay for the goods you are going to sell.

At the end of the income year (usually 31 March) if you hold goods that you purchased for selling to customers, you will have to do a stocktake. This will give you your closing stock figure.

There are several ways to value your stock, but cost is the most practical way. This means that your closing stock value is simply the amount it cost you to buy the items you have on hand.

Example

At 31 March 2002 Bill has 140 bottles of shampoo on hand. They cost him \$5 each. His closing stock value is simply $140 \times \$5 = \700 .

Your closing stock then becomes your opening stock for the next year (starting 1 April).

Going back to the cost of goods sold, the calculation is:

	Opening stock
<i>plus</i>	purchases
<i>less</i>	closing stock

Example

Bill's purchases for the year ended 31 March 2002 were \$2,470. His opening stock at 1 April 2001 was \$600, and we worked out his closing stock at \$700 (see above).

His cost of goods sold is:

Opening stock	\$ 600
<i>plus</i> purchases	<u>\$ 2,470</u>
	\$ 3,070
<i>less</i> closing stock	<u>\$ 700</u>
Cost of goods sold	\$ 2,370

Bill subtracts his cost of goods sold from his total sales. Say his sales were \$7,620 for the year ended 31 March 2002. His gross profit is:

Sales	\$ 7,620
<i>less</i> cost of goods sold	<u>\$ 2,370</u>
Gross profit	\$ 5,250

If Bill pays or receives performance volume rebates he will adjust his gross profit accordingly (see page 17).

Goods for private use

You must make an adjustment for any goods from your opening stock that are used privately. Keep full records of the value of goods you take for personal use, or for family and friends. Show the cost of these goods as drawings, and don't include them in your purchases or sales figures.

Example

Bill took shampoo from his opening stock for personal use. The cost of the shampoo was \$50. He did not include this in his purchases claim, nor in his sales figure. He includes the \$50 in his total drawings for the year.

Performance volume rebates

Depending on how your direct selling organisation is structured, an upliner may pay performance volume rebates to downliners. If you do this, you can claim the payments for tax purposes. Add them on to your cost of goods sold when you work out your gross profit.

If you receive performance volume rebates, you reduce your cost of goods sold by the amount you receive.

Example

Bill's gross profit is worked out in the example on page 16. If he paid and received some performance volume rebates, his profit is worked out as follows:

Sales		\$ 7,620
Cost of goods sold	\$ 2,370	
<i>less</i> performance volume rebates received	\$ 1,250	
<i>plus</i> performance volume rebates paid out	<u>\$ 750</u>	
Subtotal		<u>\$ 1,870</u>
Gross profit		\$ 5,750

Samples and promotional equipment

Promotional equipment such as product samples, brochures, delivery bags and sales aids for showing to distributors or customers can be claimed for tax purposes.

Remember, if you are using the equipment privately you must make an adjustment for private use.

Motor vehicle expenses

You will probably use a motor vehicle in your direct selling business to make deliveries, attend sales meetings and visit your downliners.

To claim for business running expenses (such as repairs, registration, petrol, depreciation, insurance) on a private motor vehicle, you have to record the amount of business use of the vehicle by using a logbook. Your logbook must show the date, distance and reason for travel.

Rather than recording actual business use on the motor vehicle for the whole year you can keep a logbook for a 90-day test period to calculate your percentage of business use.

You can then use this percentage for the next three years, unless your business use of the vehicle rises or drops by more than 20%.

Example

Hugh Scar keeps a logbook for a 90-day test period and finds that he has travelled a total of 2,500 km. The business trips he has detailed in his logbook total 1,800 km.

$$\frac{1,800}{2,500} = 72\%$$

Hugh can claim 72% of all his motor vehicle expenses as a business expense.

Another way of claiming motor vehicle expenses is to use the Inland Revenue mileage rates. If you would like a copy of these rates, phone us on 0800 377 772.

No GST credit can be claimed on motor vehicle expenses calculated using mileage rates.

Home office expenses

If you run your business from a home office you may be able to claim part of the costs of running your home.

Your home office must be an area you've set aside principally for business use. You must keep a full record of all expenses you wish to claim.

Divide the total floor area you set aside for your home office by the total floor area of your house. The result is the percentage you can claim of your expenses.

Example

Sandy Meeter has an office of 10 square metres set aside in a house of 100 square metres. She can claim 10% ($10/100^2$) of house expenses, including power.

If she owns the property she can claim 10% of the rates, interest on her mortgage (not the principal), insurance on the house (if incurred in producing taxable income) and depreciation on the house itself.

Telephone expenses

If you are using your telephone at home for business calls you may claim up to 50% of the telephone rental. You may only claim a higher percentage if you can show actual business use is greater than 50%.

If you have two telephone lines in your house, one for domestic use and the other for commercial, you can claim 100% of the commercial line. However you can't claim any of the domestic rental.

You can also claim 100% of your business toll calls, provided you keep records of them.

Depreciation

If you buy assets for your business you cannot immediately claim their cost for tax purposes, but you can make a claim for depreciation over the asset's life. The depreciation you calculate each year is deducted from the asset's value. The remaining value of the asset is called the "adjusted tax value".

There are two ways to calculate depreciation on an asset—the diminishing value method and the straight line method.

The diminishing value (or DV) method calculates depreciation each year by using a constant percentage of the asset's adjusted tax value. This means the amount you claim for depreciation will steadily reduce each year.

The amount you claim using the straight line (SL) depreciation method is a percentage of the asset's original cost price. So you claim the same amount of depreciation for an asset each year.

Example

Hiram Emery bought a computer for \$3,000 in October 1999. In April 2001 he started using it full time in his business. The market value of the computer in April 2001 is \$1,500. This is the figure that depreciation will be calculated on in Hiram's 2002 income tax return.

Example

Hope Forder-Best buys a used car for \$15,000 in April 2001 for use in her business. A logbook shows that the car is used 75% of the time for business purposes. She can't claim the full \$15,000 in the year she purchases it. However if she uses the diminishing value method of depreciation for cars she can claim 26% of the adjusted tax value each year. She must make an adjustment for the 25% private use.

$$\$15,000 \times 26\% = \$3,900$$

The adjusted tax value of the car will now be:

$$\$15,000 - \$3,900 = \$11,100$$

So, for tax purposes, an adjustment must be made for the private use and is calculated as:

$$\$3,900 \times 75\% = \$2,925$$

Therefore Hope can only claim \$2,925 as a depreciation expense, even though the adjusted tax value has reduced by \$3,900.

For more help

For more information on depreciation read our booklet *Depreciation (IR 260)*. You can view this on our website or order a copy through INFOexpress (see page 29).

Other expenses you can claim

Other expenses which you might incur in your business that can be claimed for tax purposes are:

- accounting fees
- postage
- ACC levies
- stationery such as business cards, writing material, name stamps and other office supplies
- conference and travel-related expenses (business part only).

For more help

For more information on claiming business entertainment expenses read our booklet *Entertainment expenses (IR 268)*. You can view this on our website or order a copy through INFOexpress (see page 29).

Working out your profit

Commission agents

If you are a commission agent you only need to keep details of the expenses you can claim. The total of these expenses will be deductible when you file your *Individual tax return (IR 3)*.

Independent resellers

Independent resellers receive their income by selling goods they've bought from their supplier. They can supplement their income with volume price rebates or discounts.

At the end of your accounting year you will have to produce a set of accounts to work out how much profit (or loss) your business made.

To do this, add up all the income that the business earned over the year, and subtract all the allowable business expenses. Your profit is the remainder.

Example

Here's how an independent reseller works out their profit:

Income		
Retail sales		10,500
Cost of sales		
Cost of goods sold	4,000	
<i>less</i> gross performance rebates received	(2,000)	
<i>plus</i> performance volume rebates paid out	<u>1,000</u>	
Subtotal		<u>3,000</u>
Gross profit		7,500
Other expenses		
ACC levies	144	
Accounting fees	200	
Depreciation (on computer)	350	
Home office expenses (power, insurance etc)	265	
Motor vehicle	1,020	
Postage and stationery	52	
Samples and promotion	500	
Telephone	<u>220</u>	
Total		<u>2,751</u>
Net profit		4,749

Remember you cannot claim stock you use privately so you'll have to make an adjustment for these goods.

GST and your income tax accounts

If you're registered for GST there are two ways to prepare your accounts for income tax purposes.

- You can record all income and expenses including GST. Then adjust your accounts by listing GST refunds from us as income and GST to pay to us as expenses.
- The other way to prepare your accounts is to simply exclude GST on all income and expense items.

If you are not registered for GST show your total expenses including GST, as well as your total income.

See Part 4 for more information on GST obligations.

Part 4 – Goods and services tax

Goods and services tax (GST) is a tax on consumption. It is charged and accounted for at a rate of 12.5%, by GST-registered businesses. They then calculate the amount of GST they have charged and pay it to us. They also claim back the GST they incur as part of their business.

The GST rules apply differently to commission agents and independent resellers. Employees do not have to account for GST—their employer does.

Registering for GST

Before you can register for GST you must be conducting a taxable activity. Your distributorship may be a taxable activity even if you're not "in business" as defined on page 7.

If your business as an independent reseller or commission agent is carried on continuously or regularly and involves supplying goods and services for a consideration, you may have to register for GST.

If you have an annual turnover or sales of \$40,000 or more in your business, or you expect your turnover to be \$40,000 or more in the next 12 months, you must register for GST.

In a direct selling business, turnover is made up of:

- retail sales
- bonuses
- commissions.

A good guideline to see whether you will be over the \$40,000 threshold for the year is to look at your monthly turnover. If your monthly turnover is \$3,333 or more you should register for GST.

If you operate two or more business ventures, you will need to add the turnovers together to see if you are over the \$40,000 turnover figure.

If your annual turnover is less than \$40,000 you don't have to register, but you may do so if you wish.

To register for GST, you will need to complete a *GST registration (IR 360)* form, which you can get from our website or by phoning INFOexpress (see page 29). The form is also printed at the back of our booklet *GST – do you need to register? (IR 365)*, which will give you more information about GST registration.

If you are already GST-registered in another business and you are running your direct selling business part-time, then you are GST-registered for both businesses.

If you register for GST, let your direct selling organisation and also your upliner know, if necessary.

Taxable periods

When you register for GST you may have a choice as to how often you file your GST returns. Depending on your turnover you may be able to file your returns monthly, two-monthly or six-monthly.

Accounting basis

The way you account for GST is called your accounting basis. You may choose one of three options—invoice, payments or hybrid basis.

Using the invoice basis, you generally account for GST in the earliest taxable period in which an invoice for the supply is issued or any payment is made or received.

Under the payments basis, you account for GST only when you make or receive a payment.

The hybrid basis is a combination of the invoice basis and the payments basis. Under it you claim the GST on your purchases when you actually pay for them, and account for GST on your sales at the earlier date of when you issue an invoice or receive a payment.

Tax invoices

If you are GST-registered, you must give a tax invoice for any supplies you make when asked to do so. The following details must be on your tax invoice:

- the words “tax invoice” in a prominent place
- your name (or trade name) and GST registration number
- the date the invoice was issued
- a description of the goods or services provided
- total amount payable
- and either show the GST content separately or write “GST-inclusive”.

If the value of the goods (including GST) is over \$1,000 you must also show the name and address of the recipient and quantity or volume of goods or services supplied.

If you’re going to make a claim for GST paid on your purchases, keep a copy of the tax invoice from your supplier. For expenses under \$50 record these details:

- the purchase date
- a description of the goods or services bought
- the purchase price
- the supplier’s name.

You don’t need to keep tax invoices for these expenses.

Performance volume rebates

As an independent reseller you may receive performance volume rebates. These rebates reduce the cost price of stock from your supplier.

Your direct selling organisation or upliner should give you a credit note with the rebate.

You will then have to make an adjustment in your GST return so that you don’t claim too much GST on your purchases.

If you’re passing on part of a rebate you’ve received to your downliner, give them a credit note for that part of the rebate.

GST and direct selling

As a commission agent you are supplying your services to your direct selling organisation, so you will have to charge the organisation GST on your commissions. Make sure you let your direct selling organisation know if you register for GST.

You don't usually account for GST on sales because your direct selling organisation will do that. Deduct the GST you've paid on your business expenses from the GST you charge on your commissions and pay the balance to Inland Revenue.

The rules are slightly different for independent resellers. You charge all your customers and downliners GST, then deduct the GST your supplier charged as well as the GST you paid on business expenses. Pay the balance to Inland Revenue. If you're going to register for GST, let your upliner know.

Of course in both cases, if you've paid more GST than you charged, we'll refund the difference.

Cancelling your GST registration

If your turnover falls below \$40,000 in a 12-month period, or if you stop your business activity, you no longer have to be registered for GST.

To cancel your GST registration, please phone us on 0800 377 776 and we'll send you the necessary forms to fill in. You will also have to file a final GST return.

If you keep some business assets when you cancel your registration you will have to account for GST on the value of those assets in your final GST return.

For more help

For more information on GST, see the *GST guide (IR 375)* on our website at www.ird.govt.nz

We send a copy to everyone who registers for GST.

Part 5 – Services you may need

For more help

If you need more information about direct selling, phone us on 0800 377 774.

Inland Revenue's website

Visit our website at www.ird.govt.nz for detailed information about tax and social policy, and online access to our booklets, returns, forms, newsletters, public rulings and the many other services we offer.

INFOexpress

INFOexpress is our automated telephone service. These are some of the things you can do by phoning INFOexpress:

- order Inland Revenue forms and booklets
- get tax payment information
- get updates on your account balances (income tax, GST, employer accounts for PAYE, child support, SSCWT, FBT and student loans)
- request or change a personal identification number (PIN).

All you need to use INFOexpress is a touch tone phone and your IRD number. It's also helpful if you know the number of any forms or booklets you are ordering. For personal information, such as account balances, you'll also need an INFOexpress PIN. You can get a PIN by phoning 0800 257 777 and following the instructions given.

INFOexpress is available between 6 am and 12 midnight, seven days a week.

You can call these numbers for:

Forms and stationery	0800 257 773
Taxpicks	0800 257 772
All other services	0800 257 777

Business Tax Information Service and Maori Community Officers

Inland Revenue offers a free Business Tax Information Service to new and existing businesses and organisations to help them meet their tax obligations. This service is available to both individuals and groups.

Most Inland Revenue offices also have a Maori Community Officer who can assist Maori organisations and individuals with their business tax obligations.

For more help

To find out more about these services and request an advisory visit, phone us on 0800 377 774 or visit our website at www.ird.govt.nz

Audits

If you are running a business, you can expect to be audited from time to time. This will involve our staff checking your records against the returns filed to make sure you have complied with your tax obligations.

Remember that you must keep all financial records of any taxable activity for seven years. We may ask you to keep the records for an additional period when auditing or investigating you.

If you want to know more about audit procedures, refer to our booklet *Inland Revenue audits (IR 297)*. You can get a copy from our website or by phoning INFOexpress (see page 29 for details).

Publications

You may find these booklets helpful. You can read them on our website or order copies through INFOexpress, see page 29.

Depreciation (IR 260)

This covers the depreciation rules, including detailed schedules of assets and their depreciation rates.

Disputing an assessment (IR 776)

Explains the process to follow if you want to dispute our assessment of your tax liability, or some other determination.

Disputing a Notice of proposed adjustment (IR 777)

If we send you a notice to tell you we're going to adjust your tax liability, you can dispute the notice. This booklet explains the process you need to follow.

Entertainment expenses (IR 268)

This covers the tax treatment of business entertainment expenses.

GST – do you need to register? (IR 365)

This outlines who needs to register for GST.

GST guide (IR 375)

This is an explanation of the rules and obligations for people registered for GST.

Inland Revenue audits (IR 297)

This is a guide for business people and investors. It explains how audits are chosen, what is involved if Inland Revenue audits you, how we will work with you, and what happens once an audit is completed.

Provisional tax (IR 289)

This booklet explains what provisional tax is, and how and when it must be paid.

Smart business (IR 320)

This explains your basic tax obligations and record keeping if you are in business.

Customer service quality monitoring

We randomly record calls made to Inland Revenue to monitor and improve the quality of our customer service. Please note that we store these recordings securely for a limited time and destroy them after use.

Privacy Act 1993

Meeting your tax obligations involves giving accurate information to Inland Revenue. We ask you for information so we can assess your liabilities and entitlements under the Acts we administer.

You must, by law, give us this information. Penalties may apply if you do not.

We may exchange information about you with Work and Income, the Department for Courts, the Ministry of Education, the Accident Compensation Corporation, or their contracted agencies. Information may be provided to overseas countries with which New Zealand has an information supply agreement. Inland Revenue also has an agreement to supply information to Statistics New Zealand for statistical purposes only.

You may ask to see the personal information we hold about you by phoning us on 0800 377 774. Unless we have a lawful reason for withholding the information, we will show it to you and correct any errors.

If you have a complaint about our service

We're committed to providing you with good service. If there's a problem we'd like to know about it and have the opportunity to fix it.

If you have a complaint, the quickest and easiest way to resolve it is usually with the staff member you've been dealing with. If you're not satisfied ask to speak to their manager.

If you're still not satisfied, we have a Complaints Management Service that can take a fresh look at your complaint. You can call toll-free on 0800 274 138 between 8 am and 5 pm weekdays or, if you prefer, you can put your complaint in writing and send it to the Complaints Management Service, Inland Revenue, PO Box 1072, Wellington.

If you disagree with how we've assessed your tax, you may need to follow a formal disputes process. For more information, read our leaflet *If you disagree with an assessment (IR 778)*. You can view this on our website at www.ird.govt.nz or order a copy by phoning INFOexpress.

