



Inland Revenue  
Te Tari Taake

# The tax policy development process

Charles Ngaki

NFP Seminar Series 2015 - taxation issues for charities and  
not-for-profit organisations

26 February 2015



# Tax policy development process

- Tax policy issues arise when the law does not reflect its intended purpose and a legislative fix is required
- Tax policy issues can originate from a range of sources such as the private sector, NFP sector, Ministers and politicians, court cases, other govt agencies and IRD
- IRD's Policy and Strategy Group and the Treasury are jointly responsible for providing advice to Ministers on tax policy issues/ideas



# Tax policy development process

- 18-month rolling tax policy work programme
- Determining the priority of an issue and its inclusion on the tax policy work programme requires consideration of the following:
  - Compliance impact
  - Administrative impact
  - Revenue impact
  - Economic impact
  - Consistency with other govt objectives
  - Fairness issues



# Tax policy development process

- Detailed design of policy options
  - Tax policy framework
  - Consultation
- Ministerial and Cabinet approval
- Parliamentary process
  - Select committee and consultation
  - Tax bill enacted
- This process can take 18-months or longer



# Engagement channels

- Policy issues/ideas
  - Charles Ngaki, Policy and Strategy  
[Charles.Ngaki@ird.govt.nz](mailto:Charles.Ngaki@ird.govt.nz)
  - Thomas Allen, Policy and Strategy  
[Thomas.Allen@ird.govt.nz](mailto:Thomas.Allen@ird.govt.nz)
- Technical issues
  - Marilyn McHaffie, Legal and Technical  
[Marilyn.McHaffie@ird.govt.nz](mailto:Marilyn.McHaffie@ird.govt.nz)
- General tax compliance issues
  - Pene Cannon, Customer Services  
[Pene.Cannon@ird.govt.nz](mailto:Pene.Cannon@ird.govt.nz)

