

17 June 2019

Mr Yang Yang
fyi-request-10286-78a36e65@requests.fyi.org.nz

Dear Mr Yang

Thank you for your request made under the Official Information Act 1982 (OIA), received on 10 May 2019. You requested the following:

The marginal income tax rates for rental profit and rental loss by region from 1997 to 2016.

For instance, how many tax returns that incurred rental profit (loss) have a 33% marginal income tax rate in 2016 in Akaroa, Darfield? how many tax returns that incurred rental profit (loss) have a 30% marginal income tax rate in 2016 in Akaroa, Darfield? how many tax returns that incurred rental profit (loss) have a 17.5% marginal income tax rate in 2016 in Akaroa, Darfield? how many tax returns that incurred rental profit (loss) have a 10.5% marginal income tax rate in 2016 in Akaroa, Darfield?...

The marginal income tax rates were different before 2010. Please use the previous rates at that time. For example, from 1 April 2009 to 30 September, 12.5%, 21%, 33% and 38% applied.

On 18 May 2019 you clarified your request to cover the period from 2001 to 2016 (inclusive).

An excel spreadsheet containing data regarding the number of IR3 taxpayers with rental profit or loss from 2001 to 2016 (by region) has been attached to this response. I am only providing individual tax return (IR3) data as the marginal tax rates you requested are only applicable to individual income earners.

Please note that any data with less than 10 counts has been withheld under section 18(c) of the OIA, as this information is considered sensitive revenue information under section 18 of the Tax Administration Act 1994 (TAA). There is no permitted disclosure that would allow me to release this sensitive revenue information to you. I will also not be providing the total for each region as this could be used to identify the withheld data.

As mentioned in my response to your previous request, there remain strong limitations to regional breakdowns of Inland Revenue tax administrative data due to insufficient coverage in some areas (for example, non-filers with old/missing addresses). More importantly, tax returns do not individually identify the region where the aggregated net residential rental income or loss is related to. For example, aggregated residential rental income reported from Auckland does not necessarily mean that all the rental activities were located in the Auckland region.

The regional breakdown provided in this response is based on post codes contained in the address of the filer of relevant tax returns. The regions that are provided are NZ Post's postcode regions, rather than territorial authority or regional council boundaries.

Again, please note that taxpayers with residential rental income were identified from a generic search on business activities. This exercise attempted to exclude other rental activity such as commercial property, but since taxpayers often do not provide sufficiently clear descriptive details, an element of commercial or other non-residential rental activity (for example, a boat renting business) may remain.

Thank you for your request. I trust the information I have provided is useful to you.

Yours sincerely



Sandra Watson

Manager, Forecasting and Analysis