

**Reprint
as at 29 May 2009**



**Taxation (Urgent Measures and
Annual Rates) Act 2008**

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Date of assent 15 December 2008
Commencement see section 2

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Note

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

This Act is administered by the Inland Revenue Department.

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1 Title

This Act is the Taxation (Urgent Measures and Annual Rates) Act 2008.

2 Commencement

- (1) This Act comes into force on the date on which it receives the Royal assent, except as provided in this section.
- (2) In Part 1, other than sections 3, 4, and 15,—
 - (a) the subsections (1) of the sections come into force on 1 April 2009:
 - (b) the subsections (2) of the sections come into force on 1 April 2010:
 - (c) the subsections (3) of the sections come into force on 1 April 2011.
- (3) In Part 2,—
 - (a) sections 24, 27, and 28 are treated as coming into force on 19 December 2007:
 - (b) section 19(1)(a) and (b) is treated as coming into force on 1 April 2008:

- (c) sections 19(1)(c), 21, 25, and 26 come into force on 1 April 2009:
- (d) sections 19(1)(d), 20(2) to (7), and 22 come into force on 1 October 2009.
- (4) In Part 3,—
 - (a) sections 33(1) and 40 are treated as coming into force on 1 April 2008:
 - (b) section 41 is treated as coming into force on 29 May 2008:
 - (c) sections 34 and 35 are treated as coming into force on 1 October 2008:
 - (d) sections 29, 31, 33(2), 36(2), 37, and 39 come into force on 1 April 2009:
 - (e) section 32 comes into force on 1 April 2010.
- (5) In Part 4, sections 43, 44, 45, 46, 48, 50, 52, 53, 54, 55, 56(2) and (3), 57, and 58 come into force on 1 April 2009.

Part 1

Personal tax cuts

3 Application

In this Part, in sections 6, 7, 8, 9, 10, 11, and 17,—

- (a) the subsections (1) of those sections apply for the 2009–10 income year and later income years:
- (b) the subsections (2) of those sections apply for the 2010–11 income year and later income years:
- (c) the subsections (3) of those sections apply for the 2011–12 income year and later income years.

Amendments to Income Tax Act 2007

4 Income Tax Act 2007

Sections 5 to 14 amend the Income Tax Act 2007.

5 Payment of extra pay with other PAYE income payments

- (1) Section RD 17(2) is replaced by the following:

“Between \$48,000 and \$70,000

- “(2) If the sum of the amounts referred to in subsection (1) is more than \$48,000 but no more than \$70,000, the amount of tax for

the extra pay that must be withheld is the amount determined using the basic amounts of tax for PAYE income payments set out in schedule 2, part B, table 1, row 2 (Basic tax rates for PAYE income payments).”

(2) *[Repealed]*

Section 5(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

6 Single rate option

(1) In section RD 58(1), “64%” is replaced by “61%”.

(2) *[Repealed]*

Section 6(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

7 Alternate rate option

(1) In section RD 59(3), “64%” is replaced by “61%”.

(2) *[Repealed]*

Section 7(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

8 Close company option

(1) In section RD 60(3)(a), “64%” is replaced by “61%”.

(2) *[Repealed]*

Section 8(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

9 Small business option

(1) In section RD 61(3)(a), “64%” is replaced by “61%”.

(2) *[Repealed]*

Section 9(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

10 Schedule 1—Basic tax rates: income tax, ESCT, RSCT, RWT, and attributed fringe benefits: part A

(1) Schedule 1, part A, table 1 is replaced by the following:

Table 1

Row	Range of dollar in taxable income	Tax rate
1	\$0 – \$14,000	0.125
2	\$14,001 – \$48,000	0.210
3	\$48,001 – \$70,000	0.330
4	\$70,001 upwards	0.380

How to use this table:

Find the range in the second column for each dollar in the person's taxable income, and apply the relevant rate for the dollar in the third column.

(2) *[Repealed]*

(3) *[Repealed]*

Section 10(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Section 10(3): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

11 Schedule 1—Basic tax rates: income tax, ESCT, RSCT, RWT, and attributed fringe benefits: part C

(1) Schedule 1, part C, table 1 is replaced by the following:

Table 1

Row	Range of dollar in all-inclusive pay	Tax rate
1	\$0 – \$12,250	0.1429
2	\$12,251 – \$39,110	0.2658
3	\$39,111 – \$53,850	0.4925
4	\$53,851 upwards	0.6129

How to use this table:

Find the range in the second column for each dollar in the person's all-inclusive pay under section RD 51, and apply the relevant rate for the dollar in the third column.

(2) *[Repealed]*

(3) *[Repealed]*

Section 11(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Section 12(3): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

12 Schedule 1—Basic tax rates: income tax, ESCT, RSCT, RWT, and attributed fringe benefits: part D

(1) Schedule 1, part D, table 1 is replaced by the following:

Table 1

Row	ESCT rate threshold amount	Tax rate
1	\$0 – \$16,800	0.125
2	\$16,801 – \$57,600	0.210
3	\$57,601 upwards	0.330

How to use this table:
Find the range in the second column for the last dollar of the amount of salary or wages under section RD 69(1), and apply the relevant rate in the third column.

(2) *[Repealed]*

(3) *[Repealed]*

Section 12(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Section 13(3): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

13 Schedule 2—Basic tax rates for PAYE income payments: part A

(1) In schedule 2, part A, clause 6, “0.39” is replaced by “0.38”.

(2) *[Repealed]*

(3) *[Repealed]*

Section 13(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Section 13(3): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

**14 Schedule 2—Basic tax rates for PAYE income payments:
part B**

(1) In schedule 2, part B, table 1, row 3, “0.39” is replaced by “0.38”.

(2) *[Repealed]*

(3) *[Repealed]*

Section 14(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Section 14(3): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Amendments to Tax Administration Act 1994

15 Tax Administration Act 1994

Sections 16 and 17 amend the Tax Administration Act 1994.

16 PAYE tax codes

(1) Section 24B(3)(c) and (d) is replaced by the following:

“(c) ‘S’ for secondary employment earnings for an employee whose annual income is not more than \$48,000:

“(d) ‘SH’ for secondary employment earnings for an employee whose annual income is more than \$48,000 but is not more than \$70,000.”

(2) *[Repealed]*

Section 16(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

17 Annual returns of income not required

(1) In section 33A(1)(b),—

(a) subparagraph (iv)(AA) is repealed:

(b) in subparagraph (iv)(A), “more than \$40,000 but not more than \$60,000” is replaced by “more than \$48,000 but not more than \$70,000”:

(c) subparagraph (iv)(BA) is repealed:

(d) subparagraph (v)(AA) is repealed:

(e) in subparagraph (v)(A), “more than \$40,000 but not more than \$60,000” is replaced by “more than \$48,000 but not more than \$70,000”:

(f) subparagraph (v)(BA) is repealed:

(g) subparagraph (vi)(AA) is repealed:

- (h) in subparagraph (vi)(A), “more than \$40,000 but not more than \$60,000” is replaced by “more than \$48,000 but not more than \$70,000”:
 - (i) subparagraph (vi)(BA) is repealed:
 - (j) in subparagraph (vib), “more than \$40,000” is replaced by “more than \$48,000”.
- (2) *[Repealed]*
Section 17(2): repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

Part 2

Research and development tax credits repeal

Amendments to Income Tax Act 2007

- 18 Income Tax Act 2007**
Sections 19 to 22 amend the Income Tax Act 2007.
- 19 Subpart LH—Tax credits for expenditure on research and development**
- (1) In subpart LH,—
 - (a) in section LH 2,—
 - (i) in subsection (1)(b), “or a later income year” is omitted:
 - (ii) in subsection (5), paragraphs (c) and (d) are repealed:
 - (b) in section LH 6(5),—
 - (i) in paragraph (b), “or a later income year” is omitted:
 - (ii) in paragraph (c),—
 - (A) “or before” is omitted:
 - (B) “or a later income year” is omitted:
 - (c) sections LH 1 to LH 6, LH 8 to LH 14, and LH 16 are repealed:
 - (d) section LH 15 is repealed.
 - (2) Subsection (1)(a) and (b) applies for the 2008–09 income year and later income years.
 - (3) Subsection (1)(c) applies for the 2009–10 income year and later income years.

20 Definitions

- (1) This section amends section YA 1.
- (2) The definition of **district health board** is repealed.
- (3) The definition of **industry research co-operative** is repealed.
- (4) The definition of **listed research provider** is repealed.
- (5) The definition of **overseas eligible expenditure** is repealed.
- (6) The definition of **research and development project** is repealed.
- (7) The definition of **tertiary institution** is repealed.

21 Some definitions

- (1) Section YB 20(2)(ob) is repealed.
- (2) Subsection (1) applies for the 2009–10 income year and later income years.

22 Schedule 21 repealed—Expenditure and activities related to research and development
Schedule 21 is repealed.

Amendments to Tax Administration Act 1994

23 Tax Administration Act 1994

Sections 24 to 27 amend the Tax Administration Act 1994.

24 Interpretation

In section 3(1), in paragraph (e) of the definition of **response period**,—

- (a) in subparagraph (i), “1–year period” is replaced by “2–year period”;
- (b) in subparagraph (ii), “1–year period” is replaced by “2–year period”.

25 Annual returns of income not required

- (1) Section 33A(2)(db) is repealed.
- (2) Subsection (1) applies for the 2009–10 income year and later income years.

- 26 Non-active companies may be excused from filing returns**
- (1) Section 43A(2)(d)(iib) is repealed.
 - (2) Subsection (1) applies for the 2009–10 income year and later income years.

- 27 Time bar for amendment of income tax assessment**
- In section 108(1B)(b), “1 year has” is replaced by “2 years have”.

Amendments to Taxation (Business Taxation and Remedial Matters) Act 2007

- 28 Sections repealed**
- Sections 188(5), (7), and (8), 229, and 232 (2), (3), and (4) of the Taxation (Business Taxation and Remedial Matters) Act 2007 are repealed.

Part 3

Annual rates, independent earner tax credit, and consequential personal tax cuts amendments

Annual rates of income tax for 2009–10 tax year

- 29 Rates of income tax for 2009–10 tax year**
- (1) Income tax imposed by section BB 1 of the Income Tax Act 2007 must, for the 2009–10 tax year, be paid at the basic rates specified in schedule 1 of that Act.
 - (2) Section 61 of the Taxation (Personal Tax Cuts, Annual Rates, and Remedial Matters) Act 2008 is repealed.

Amendments to Income Tax Act 2007

- 30 Income Tax Act 2007**
- Sections 31 to 37 amend the Income Tax Act 2007.

- 31 New heading and section LC 13**
- After section LC 12, the following is added:

“Tax credits for independent earners

“LC 13 Tax credits for independent earners

“When this section applies

- “(1) This section applies for a natural person, for a period (the **credit period**) in a tax year when the person—
- “(a) is not receiving an income-tested benefit; and
 - “(b) is not receiving a veteran’s pension; and
 - “(c) is not receiving New Zealand superannuation; and
 - “(d) is not entitled to a WFF tax credit; and
 - “(e) is not the spouse, civil union partner, or de facto partner of a person who is entitled to a WFF tax credit; and
 - “(f) is not receiving an amount that is—
 - “(i) granted outside New Zealand; and
 - “(ii) in the nature of, and paid for similar purposes as, a benefit, pension, superannuation payment, or tax credit described in paragraphs (a) to (d); and
 - “(g) is not the spouse, civil union partner, or de facto partner of a person who receives an amount that is—
 - “(i) granted outside New Zealand; and
 - “(ii) in the nature of, and paid for similar purposes as, a tax credit described in paragraph (d); and
 - “(h) is resident in New Zealand.

“Amount of credit

- “(2) For the credit period, the person has a tax credit equal to the positive amount calculated using the formula—

$$(\text{person's credit} - \text{full year abatement}) \times \text{credit period months} / 12.$$

“Definition of items in formula

- “(3) The items in the formula are defined in subsections (4) to (6).

“Person’s credit

- “(4) **Person’s credit** is, if the person’s net income for the tax year is equal to or more than \$24,000, \$520. Otherwise it is zero.

“Full year abatement

- “(5) **Full year abatement** is, if the person’s net income is greater than \$44,000 for the tax year, 13 cents for each complete dollar of the excess.

“Credit period months

- “(6) **Credit period months** is the number of whole months in the credit period.

“Defined in this Act: amount, civil union partner, de facto partner, income-tested benefit, net income, New Zealand superannuation, resident in New Zealand, tax credit, tax year, veteran’s pension, WFF tax credit”.

32 Tax credits for independent earners*[Repealed]*

Section 32: repealed, on 29 May 2009, by section 3 of the Taxation (Budget Tax Measures) Act 2009 (2009 No 14).

33 Interest

- (1) In section RE 12(3)(a), “clause 4 or 5” is replaced by “clause 3 or 4”.
- (2) In section RE 12, the following is added:
- “Modification for 2009–10*
- “(4) Despite subsection (3)(a), the amount of tax that the person must withhold and pay may, if the person chooses, be calculated, under subsection (3), using a **tax rate** of 0.38 if—
- “(a) the payment of resident passive income is made in the 2009–10 tax year; and
- “(b) the tax rate under subsection (3)(a) would be 0.39 in the absence of this subsection.”

34 Standard method: new personal tax rate persons from 1 October 2008 to end 2012–13 income year

- (1) In the heading to section RZ 5B, “**2012–13**” is replaced by “**2009–10**”.
- (2) Section RZ 5B(4) to (6) is repealed.

35 GST ratio method: new personal tax rate persons from 1 October 2008 to end 2013–14 income year

- (1) In the heading to section RZ 5C, “2013–14” is replaced by “2009–10”.
- (2) Section RZ 5C(4) to (7) is repealed.

36 Definitions

- (1) This section amends section YA 1.
- (2) In the definition of **civil union partner**, “and section LC 4 (Tax credits for transitional circumstances)” is replaced by “and in sections LC 4 and LC 13 (which relate to tax credits for natural persons)”.

37 Schedule 2—Basic tax rates for PAYE income payments: part A

- (1) In the heading to schedule 2, part A, clause 1, “‘M’ and ‘ML’” is replaced by “‘M’, ‘ME’, and ‘ML’”.
- (2) In schedule 2, part A, clause 1, “‘M’ or ‘ML’” is replaced by “‘M’, ‘ME’, or ‘ML’”.
- (3) In the heading to schedule 2, part A, clause 2, “‘M’ and ‘ML’” is replaced by “‘M’, ‘ME’, and ‘ML’”.
- (4) In schedule 2, part A, clause 2, “‘M’ or ‘ML’” is replaced by “‘M’, ‘ME’, or ‘ML’”.

Amendments to Tax Administration Act 1994

38 Tax Administration Act 1994

Sections 39 and 40 amend the Tax Administration Act 1994.

39 PAYE tax codes

In section 24B(3),—

- (a) in paragraph (a), “section LC 4” is replaced by “section LC 4 or LC 13”;
- (b) after paragraph (a), the following is inserted:
“(ab) ‘ME’ for primary employment earnings when the employee is entitled to a tax credit under section LC 13 of the Income Tax Act 2007.”.

40 Write-off of tax by Commissioner

After section 177C(1), the following is inserted:

- “(1B) The Commissioner may write off an amount of outstanding tax to the extent to which the amount—
- “(a) is outstanding from the 2008–09 tax year; and
 - “(b) is tax payable under section MF 5(2) or MF 6(2) of the Income Tax Act 2007, or is otherwise the result of WFF tax credit overpayment or overcrediting; and
 - “(c) is outstanding due to amendments to the family scheme made by the Taxation (Personal Tax Cuts, Annual Rates, and Remedial Matters) Act 2008.
- “(1C) The Commissioner must write off an amount, not exceeding \$100, of outstanding tax to the extent to which the amount—
- “(a) is outstanding from the 2008–09 tax year; and
 - “(b) is tax payable under section MF 5(2) or MF 6(2) of the Income Tax Act 2007, or is otherwise the result of WFF tax credit overpayment or overcrediting.”

Amendments to Taxation (Personal Tax Cuts, Annual Rates, and Remedial Matters) Act 2008

41 Sections repealed

Sections 7(2) to (4), 8(2) to (4), 10(2) to (4), 11(3) and (4), 13(2) and (3), 14(2) and (3), 15(2) and (3), 16(2) and (3), and 18(2) and (3) of the Taxation (Personal Tax Cuts, Annual Rates, and Remedial Matters) Act 2008 are repealed.

Part 4**KiwiSaver: 2% employee and employer contribution rates, and repeal of employer tax credits**

Amendments to KiwiSaver Act 2006

42 KiwiSaver Act 2006

Sections 43 to 50 amend the KiwiSaver Act 2006.

43 Contribution rate

- (1) Section 64(1)(a), is replaced by the following:
- “(a) 2% of the employee’s gross salary or wages, if—

- “(i) section 60(1)(a), (b) or (c) first applied in respect of the employee on or after 1 April 2009 and the employee has not given his or her employer a notice under subsection (2); or
- “(ii) section 66A applied in respect of the employee immediately before 1 April 2009; or
- “(ab) 4% of the employee’s gross salary or wages, if section 60(1)(a), (b) or (c) first applied in respect of the employee before 1 April 2009 and the employee has not given his or her employer a notice under paragraph (b); or”.
- (2) Section 64(2) is replaced by the following:
- “(2) Despite subsection (1), the employee may change their contribution rate from their current contribution rate described in subsection (1) to another rate in that subsection (**new rate**) by giving notice to their employer of the new rate.”
- 44 Contribution rates may be changed by Order in Council**
In section 65(1)(a), “either or both of the rates” is replaced by “a rate”.
- 45 Obligation to make deductions: general rule**
In section 66, “, unless section 66A applies” is omitted.
- 46 Section 66A repealed**
Section 66A is repealed.
- 47 Compulsory contributions must be paid on top of gross salary or wages except to the extent that parties otherwise agree after 13 December 2007**
Subsection 101B(4) is replaced by the following:
- “(4) However, on and after 13 December 2007, parties to an employment relationship are free to agree contractual terms and conditions that disregard the purpose of this section described in subsection (1), and, to the extent of such agreement, subsections (1) to (3) do not apply, unless, in respect of the employer and employee,—

- “(a) section 60(1)(a), (b) or (c) first applies on or after the day of assent for the Taxation (Urgent Measures and Annual Rates) Act 2008; and
 - “(b) the contractual terms and conditions do not account for the amount of compulsory contributions the employer is required to pay.
- “(4A) In the circumstances described in subsection (4)(a) and (b), despite subsection (4),—
- “(a) compulsory contributions must be paid in addition to an employee’s gross salary or wages described in section 101D(3), in accordance with the purpose of this section described in subsection (1); and
 - “(b) subsections (2) and (3) apply.”

48 Compulsory employer contribution amount: general rule

Section 101D(4)(b) to (d) is replaced by the following:

- “(b) 2%, if the payment of gross salary or wages is made for a pay period that is in a year starting on or after 1 April 2009.”

49 New section 235

After section 234, the following is added:

“235 Protection from non-compliance: Taxation (Urgent Measures and Annual Rates) Act 2008

- “(1) If, as a result of amendments provided by the Taxation (Urgent Measures and Annual Rates) Act 2008, there is non-compliance with an Act related to securities before 14 February 2009, the non-compliance is ignored unless it continues on or after 14 February 2009.
- “(2) Every provider of a KiwiSaver scheme or a complying superannuation fund, and every person acting on behalf of a provider is exempted in connection with the KiwiSaver scheme or complying superannuation fund from complying with regulation 7A(4) of the Securities Regulations 1983 in respect of information that must be disclosed in an investment statement because of changes to the scheme, fund, or the securities arising from any provision of the Taxation (Urgent Measures and Annual Rates) Act 2008.

- “(3) The exemption in subsection (2) applies only in relation to an investment statement that has been first prepared and dated before 1 January 2009.
- “(4) The exemption in subsection (2) applies if all information, statements, and other matters specified under italicised questions set out in Schedule 3D of the Securities Regulations 1983 that are required to be contained in an investment statement in respect of a security are—
- “(a) set out in a consistent style or format; and
- “(b) clearly identified as relating to particular questions.
- “(5) Subsections (2) to (4) cease to have effect on and after 30 June 2009.”

50 Schedule 4 repealed—Transitional rates for employers and employees
Schedule 4 is repealed.

Amendments to Income Tax Act 2007

- 51 Income Tax Act 2007**
Sections 52 to 57 amend the Income Tax Act 2007.
- 52 Contributions to employee’s superannuation schemes**
Section DC 7(1B) is repealed.
- 53 Tax credits for superannuation contributions**
Section MK 1(2) and (4) is repealed.
- 54 Heading and sections MK 9 to MK 14 repealed**
The heading before section MK 9, and sections MK 9 to MK 14 are repealed.
- 55 Employer’s superannuation contributions**
In section RD 65,—
- (a) subsection (4)(a) and (b) are replaced by the following:
- “(a) for the employee’s KiwiSaver scheme, or for their complying superannuation scheme and subject to the complying fund rules; and

- “(b) no more than the amount of compulsory employer contributions that would be required, for the payment of salary or wages to which the current contribution relates, by subpart 3A of the KiwiSaver Act 2006 in the absence of section 101D(5)(a) of that Act.”:
- (b) subsections (5) to (11) are repealed:
 - (c) in subsection (13), the definitions of **complying fund calculation period** and **KiwiSaver calculation period** are repealed:
 - (d) in the list of defined terms “compulsory employer contribution” is inserted.

56 Definitions

- (1) This section amends section YA 1.
- (2) The definition of **complying fund calculation period** is repealed.
- (3) The definition of **KiwiSaver calculation period** is repealed.

57 Schedule 28—Requirements for complying fund rules

In schedule 28, item 7, “section 66 or 66A of the KiwiSaver Act 2006, ignoring the 8% contribution rate” is replaced by “section 66, ignoring the 8% and 4% contribution rates”.

Amendment to KiwiSaver Regulations 2006

58 Regulation 20 replaced

Regulation 20 of the KiwiSaver Regulations 2006 is replaced by the following:

“20 Fee subsidy

- “(1) This regulation applies for a person if—
- “(a) the person is an employee who is a member of a KiwiSaver scheme, and is subject to the automatic enrolment rules before 1 April 2009:
 - “(b) the person is an employee who is a member of a KiwiSaver scheme, and opts in under section 34(1)(b) of the Act before 1 April 2009:
 - “(c) a KiwiSaver scheme provider receives a valid application for membership for the person before 1 April 2009.

- “(2) The chief executive of the Department must pay a fee subsidy of \$20 for the person on each of the dates for the person provided in subclause (3).
- “(3) For the person,—
- “(a) if 1 or 3 fee subsidy instalments have been paid before 1 April 2009, the date for the purpose of subclause (2) is 6 months after the last fee subsidy instalment:
- “(b) if no fee subsidy instalment has been paid before 1 April 2009, the dates for the purpose of subclause (2) are—
- “(i) the date on which the Crown contribution made under section 226 of the Act is payable in respect of the person; and
- “(ii) 6 months after the date described in subparagraph (i).
- “(4) Each payment of the fee subsidy must be paid to the provider of the person’s KiwiSaver scheme.
- “(5) The provider must use the contribution allocation for the person to credit each payment of the fee subsidy across the investment products of the KiwiSaver scheme to which the member has subscribed or been allocated.
- “(6) However, if the person has subscribed or been allocated to more than 1 investment product of a KiwiSaver scheme and 1 or more of those investment products contain unvested employer contributions or any other contributions that are not fully vested in the member, the provider must, to the extent practicable, credit the fee subsidy on a pro rata basis across only the investment products that do not contain those sorts of contributions.”
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Notes**1 General**

This is a reprint of the Taxation (Urgent Measures and Annual Rates) Act 2008. The reprint incorporates all the amendments to the Act as at 29 May 2009, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that have yet to come into force or that contain relevant transitional or savings provisions are also included, after the principal enactment, in chronological order.

2 Status of reprints

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

3 How reprints are prepared

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not included in Acts, and provisions that are repealed or revoked are omitted.

For a detailed list of the editorial conventions, *see* <http://www.pco.parliament.govt.nz/legislation/reprints.shtml> or Part 8 of the *Tables of Acts and Ordinances and Statutory Regulations, and Deemed Regulations in Force*.

4 Changes made under section 17C of the Acts and Regulations Publication Act 1989

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
 - indentation
 - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
 - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
 - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

5 *List of amendments incorporated in this reprint
(most recent first)*

Taxation (Budget Tax Measures) Act 2009 (2009 No 14): section 3
