



**THE INCOME TAX (WITHHOLDING PAYMENTS)
REGULATIONS 1975, AMENDMENT NO. 1**

DENIS BLUNDELL, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 6th day of December 1976

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to the Land and Income Tax Act 1954, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Income Tax (Withholding Payments) Regulations 1975, Amendment No. 1, and shall be read together with and deemed part of the Income Tax (Withholding Payments) Regulations 1975* (hereinafter referred to as the principal regulations).

(2) These regulations shall come into force on the 1st day of April 1977.

(3) These regulations shall apply with respect to withholding payments made on or after the date of the commencement of these regulations, whether made in respect of any date before or after or any period commencing before or after the date of the commencement of these regulations.

2. Payments declared to be withholding payments—(1) The First Schedule to the principal regulations is hereby amended by revoking clause 10 of Part A, and substituting the clauses set out in the Schedule hereto.

(2) The First Schedule to the principal regulations is hereby further amended by inserting in paragraph (e) of the definition of the expression "specified activity" in clause 1 of Part F, before the words "which exists", the words "outside New Zealand".

SCHEDULE

TAX DEDUCTIONS FROM WITHHOLDING PAYMENTS

Class of Payment	Rate of Tax Deduction
<p>10. Payments for work done or services rendered under contracts or arrangements which are wholly or substantially for the supply of labour in or in connection with the erection, extension, protection, insulation, decoration, repair, or renewal of buildings or other constructions (including the erection, extension, protection, or decoration of prefabricated or precut parts of buildings or other constructions) being work or services of any nature—</p> <p>(a) That customarily can form part of the work or services of a carpenter under a building contract; or</p> <p>(b) That is undertaken in connection with the fixing of roofs, the fixing of steel, the erection of fences, or the laying of concrete, bricks, blocks, tiles, slabs, or stones of any description with regard to any building or other construction (not being a construction referred to in paragraph (b) of clause 6 of this Part of this Schedule); or</p> <p>(c) That is undertaken in connection with the hanging of wallpaper, other decorative wall coverings or furnishings, or the painting or decoration (including plastering) of the exterior or interior of any building or other construction; or</p> <p>(d) That is undertaken in connection with the installation of any fibrous plaster, wallboard, insulating material, interior tiles, or other interior lining, including floor tiles, carpets, or linoleums or other floor coverings of any description</p>	20c per \$1.
<p>11. Payments for work done or services rendered under contracts or arrangements or profit sharing agreements which are wholly or substantially for the supply of labour in or in connection with the operation or maintenance of any fishing boat required to be registered under section 5 of the Fisheries Amendment Act 1963</p>	20c per \$1.

P. G. MILLEN,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations amend the Income Tax (Withholding Payments) Regulations 1975. The first amendment—

- (a) Extends the existing provisions relating to payments for labour only contracts to include all labour only contracts in respect of the building industry; and
- (b) Imposes a withholding tax at the rate of 20 percent on all payments made to fishermen other than payments made in respect of employment and subject to PAYE tax.

The second amendment is a drafting amendment only.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 9 December 1976.

These regulations are administered in the Inland Revenue Department.