



**TAX ADMINISTRATION (BINDING RULINGS) REGULATIONS
1999**

MICHAEL HARDIE BOYS, Governor-General

ORDER IN COUNCIL

At Wellington this 26th day of July 1999

Present:

THE RIGHT HON JENNY SHIPLEY PRESIDING IN COUNCIL

PURSUANT to sections 91i and 224 of the Tax Administration Act 1994, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, makes the following regulations.

ANALYSIS

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| 1. Title and commencement | 5. Indication of time for issue of ruling in certain cases |
| 2. Interpretation | 6. Waiver of fees |
| 3. Fees | 7. Fees inclusive of goods and services tax |
| 4. Commissioner to provide estimate of fees payable in excess of application fee | 8. Revocation |

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Tax Administration (Binding Rulings) Regulations 1999.

(2) These regulations come into force on the 28th day after the date of their notification in the *Gazette*.

2. Interpretation—In these regulations, unless the context otherwise requires,—

“Act” means the Tax Administration Act 1994:

“Applicant” means a person who applies for a private ruling, a product ruling, or a status ruling:

“Application” means an application for a private ruling, a product ruling, or a status ruling:

“Private ruling” means a ruling of the Commissioner under section 91E of the Act:

“Product ruling” means a ruling of the Commissioner under section 91F of the Act:

“Status ruling” means a ruling of the Commissioner under section 91GB of the Act.

3. Fees—(1) The fees payable in respect of an application for a private ruling, a product ruling, or a status ruling are as follows:

(a) An application fee of \$310, which must accompany the application:

(b) A further fee,—

(i) If the application for a private ruling, a product ruling, or a status ruling is received by the Commissioner on or after the commencement of these regulations, calculated at \$155 per hour (or part hour), beyond the first 2 hours, spent in consideration of the application by the Commissioner, including any time spent by the Commissioner in consulting with the applicant; or

(ii) If the application for a private ruling or a product ruling is received by the Commissioner before the commencement of these regulations, calculated at \$105 per hour (or part hour), beyond the first 2 hours, spent in consideration of the application by the Commissioner, including any time spent by the Commissioner in consulting with the applicant:

(c) Reimbursement fees in respect of—

(i) Any fees paid by the Commissioner to any person, if the Commissioner requires external advice in relation to the ruling; or

(ii) Any costs and reasonable disbursements incurred by the Commissioner in relation to the ruling.

(2) If an application for a private ruling, a product ruling, or a status ruling is withdrawn, the applicant is liable to pay all fees incurred before the Commissioner received notice of the withdrawal.

(3) The Commissioner must ensure as far as is reasonably practicable that every effort is made to minimise the fees to which an applicant is liable in respect of an application for a private ruling, a product ruling, or a status ruling.

4. Commissioner to provide estimate of fees payable in excess of application fee—(1) The Commissioner must provide an applicant with the Commissioner’s estimate of the fees that will be payable (if any) in excess of the application fee.

(2) If the Commissioner considers that an estimate provided to an applicant under this regulation is incorrect, the Commissioner must as soon as practicable revise that estimate and notify the applicant of the revised estimate.

5. Indication of time for issue of ruling in certain cases—(1) If the Commissioner considers that it will take longer than 4 weeks to issue a

private ruling, a product ruling, or a status ruling, the Commissioner must provide the applicant with the Commissioner's estimate of the likely date by which a ruling is expected to be issued.

(2) If the Commissioner considers that an estimate provided to an applicant under this regulation is incorrect, the Commissioner must as soon as practicable revise that estimate and notify the applicant of the revised estimate.

6. Waiver of fees—The Commissioner may in exceptional circumstances, in the Commissioner's discretion, waive in whole or in part any fee payable by an applicant under these regulations.

7. Fees inclusive of goods and services tax—The fees prescribed by these regulations are inclusive of any goods and services tax payable under the Goods and Services Tax Act 1985.

8. Revocation—The Tax Administration (Binding Rulings) Regulations 1995 (S.R. 1995/80) are consequentially revoked.

MARIE SHROFF,
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, which come into force on the 28th day after the date of their notification in the *Gazette*, replace the Tax Administration (Binding Rulings) Regulations 1995. These regulations are substantially the same as those regulations. The main differences are—

- These regulations also apply in relation to applications for status rulings:
- The application fee is increased from \$210 to \$310:
- The hourly rate for considering applications for private, product, or status rulings received by the Commissioner on or after the commencement of the regulations is increased from \$105 to \$155. The old hourly rate of \$105 continues to apply to applications for private or product rulings received by the Commissioner before the commencement of the regulations.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 29 July 1999.
These regulations are administered in the Inland Revenue Department.