



**TAXATION (USE OF MONEY INTEREST RATES) REGULATIONS
1997**

MICHAEL HARDIE BOYS, Governor-General

ORDER IN COUNCIL

At Wellington this 21st day of January 1997

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to section 120H (b) of the Tax Administration Act 1994 (as inserted by section 36 (1) of the Tax Administration Amendment Act (No. 2) 1996), His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, makes the following regulations.

REGULATIONS

1. Title and application—(1) These regulations may be cited as the Taxation (Use of Money Interest Rates) Regulations 1997.

(2) These regulations shall apply with respect to tax obligations, liabilities, and rights that are to be performed under or arise—

- (a) In respect of tax payable under the Income Tax Act 1994 in relation to income derived in the 1997–98 income year and subsequent years:
- (b) In respect of goods and services tax payable in relation to supplies made in taxable periods commencing on or after 1 April 1997:
- (c) In respect of gift duty payable in relation to gifts made on or after 1 April 1997:
- (d) In respect of duty payable under the Gaming Duties Act 1971 in relation to all races run, all lotteries drawn, all dutiable games played by means of a gaming machine, and all casino wins arising on or after 1 April 1997:

- (e) In respect of duty payable under the Stamp and Cheque Duties Act 1971 in relation to every—
- (i) Instrument of conveyance executed; and
 - (ii) Bill of exchange made, drawn, or prepaid under section 81 or section 82 or section 83 of that Act; and
 - (iii) Liable transaction under that Act entered into—
on or after 1 April 1997:
- (f) In respect of an amount payable by a payer (as defined in section 153 of the Child Support Act 1991) under Part X of the Child Support Act 1991 on or after 1 April 1997.

2. Taxpayer's paying rate—For the purposes of section 120E (1) (a) of the Tax Administration Act 1994 (as inserted by section 36 (1) of the Tax Administration Amendment Act (No. 2) 1996), the taxpayer's paying rate shall be 13.9% per annum.

3. Commissioner's paying rate—For the purposes of section 120E (1) (b) of the Tax Administration Act 1994 (as so inserted), the Commissioner's paying rate shall be 7.1% per annum.

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 provide that for the purposes of calculating the interest payable under the Tax Administration Act 1994 in respect of certain types of unpaid tax and overpaid tax,—

- (a) The taxpayer's paying rate is set at 13.9% per annum; and
- (b) The Commissioner's paying rate is set at 7.1% per annum.

The rates fixed by these regulations have been determined under the process specified in the Taxation (Use of Money Interest Rates Setting Process) Regulations 1997 for setting the taxpayer's paying rate and the Commissioner's paying rate.

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Issued under the authority of the Acts and Regulations Publication Act 1989.
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These regulations are administered in the Inland Revenue Department.