

House of Representatives

Supplementary Order Paper

Tuesday, 20 June 2023

Business Payment Practices Bill

Proposed amendments

Hon Ginny Andersen, in Committee, to move the following amendments:

Clause 2

In *clause 2(1)*, replace “6” (page 3, line 6) with “10”.

After *clause 2(2)(e)* (page 4, after line 3), insert:

- (f) sections 51 and 52 (amendment to Tax Administration Act 1994).

Clause 10

In *clause 10(1B)*, after “invoices” (page 9, line 33), insert “or payments”.

In *clause 10(1B)(f)*, after “services” (page 10, line 4), insert “or types of transactions”.

After *clause 10(1B)* (page 10, after line 4), insert:

- (1C) Regulations may define invoice for the purposes of this section.

Replace *clause 10(2)* (page 10, lines 6 to 9) with:

- (2) The Minister may recommend that regulations be made that specify information about late invoices only if the Minister is satisfied that the regulations enable an entity to disclose information about disputed invoices separately from other late invoices.
- (3) In this section, **late invoice** means an invoice in respect of which payment is late.

New clause 20A

After *clause 20* (page 12, after line 33), insert:

20A Search of register

- (1) A person may search the register under this Act or the regulations.
- (2) The register may be searched only by reference to the following criteria in relation to an entity:
 - (a) its legal name:
 - (b) its trading name or names:
 - (c) its New Zealand Business Number:
 - (d) its industry classification (within the meaning of section 170 of the Accident Compensation Act 2001):
 - (e) any other criteria specified by the regulations.
- (3) A person may search the register only for the following purposes:
 - (a) a purpose referred to in **section 19**:
 - (b) to advise a person in connection with a purpose referred to in **section 19**.

Clause 29

In *clause 29(2A)*, after “10” (page 16, line 10), insert “working”.

Clause 30A

In *clause 30A(2)*, replace “14 days” (page 16, line 34) with “10 working days”.

Clause 52

In *clause 52*, replace *new clause 25B* (page 23, lines 6 to 12) with:

25B Business, Innovation, and Employment: Registrar of Business Payment Practices

Section 18 does not prevent the Commissioner disclosing information to the Registrar of Business Payment Practices for the following purposes:

- (a) establishing and maintaining the register under the Business Payment Practices Act **2022**:
- (b) monitoring compliance with the requirements of that Act (under which certain entities must disclose their payment practices information).

Schedule

In the Schedule, heading to *clause 1*, replace “**commencement**” (page 24, line 7) with “**section 8 commences**”.

In the Schedule, *clause 1*, replace “this clause” (page 24, line 9) with “that section”.

In the Schedule, *clause 2*, replace “this clause” (page 24, lines 13 and 14) with “**section 8**”.

In the Schedule, *clause 3(1)*, replace “(e)” (page 24, line 19) with “(f)”.

Explanatory note

This Supplementary Order Paper, which amends the Business Payment Practices Bill, proposes changes in relation to the commencement of the Bill, what payment practices information can be specified in regulations, searching the register, the time frames for review of, and appeal against, a compliance notice, the amendment to the Tax Administration Act 1994, and minor technical and consequential amendments.

The change to *clause 2(1)* extends the delay in commencement for most provisions of the Bill from 6 months after Royal assent to 10 months after Royal assent.

The change to *clause 2(2)* brings the commencement of *clauses 51 and 52* forward to the day after Royal assent. *Clauses 51 and 52* amend the Tax Administration Act 1994.

The changes in *clause 10* are as follows:

- *clause 10(1B)*: the word “payments” is inserted to ensure that the list of categories for which payment practices information is not required include payments for which an invoice may not be issued:
- *clause 10(1B)(f)*: this paragraph is amended to ensure that regulations may specify types of transactions (as well as goods or services) that are excluded from payment practices information:
- *clause 10(1C)*: this subclause is inserted to enable regulations to define invoice for the purposes of *clause 10*:
- *clause 10(2)*: this subclause is replaced (and *new clause 10(3)* is inserted) to clarify that the Minister need only be satisfied that regulations enable an entity to disclose information about disputed invoices separately from information about other late invoices if the Minister intends to recommend the making of regulations that specify information about late invoices. This clarification is needed because regulations may be made that do not specify information about late invoices.

The insertion of *new clause 20A* limits the ways in which, and the purposes for which, a person may search the register.

The change to *clause 29(2A)* extends the time by which an application for review of a compliance notice must be received by the Registrar and sets out the time in working days.

The change to *clause 30A(2)* ensures that the time by which an appeal must be made against a reviewer’s decision regarding a compliance notice is set out in working days.

The change to *clause 52* replaces the amendment to the Tax Administration Act 1994—

- to enable the Commissioner of Inland Revenue to share information with the Registrar for the purpose of establishing and maintaining the register (as well as for the purpose of monitoring compliance with the Bill); and
- to remove reference to an entity publishing its payment practices information.

The changes to *clauses 1 and 2 of the Schedule* make minor technical amendments so that these clauses refer to the commencement of *clause 8* (which contains entities' disclosure obligations), to reflect the delayed commencement of this clause.

The change to *clause 3 of the Schedule* makes a consequential amendment.

Departmental disclosure statement

The Ministry of Business, Innovation, and Employment considers that a departmental disclosure statement is not required to be prepared for this Supplementary Order Paper.