

# House of Representatives

# Supplementary Order Paper

Thursday, 8 June 2017

## Land Transfer Bill

### *Proposed amendment*

Denis O'Rourke, in Committee, to move the following amendment:

*New clause 9A*

After *clause 9* (page 16, after line 3), insert:

**9A Registrar to keep foreign ownership of land register**

(1) In this section,—

**overseas person** means an overseas person as defined in section 7 of the Overseas Investment Act 2005

**Foreign Ownership Register** means a foreign ownership of land register.

(2) The Registrar must keep the Foreign Ownership Register, being an electronic register that records, for each registered proprietor who is an overseas person,—

- (a) the person's name and nationality; and
- (b) the amount and value of the land involved; and
- (c) the district or districts in which the land is situated.

(3) An overseas person presenting an instrument for registration must provide the information that **subsection (2)** requires to be in the Foreign Ownership Register by stating the information in—

- (a) the instrument; or
- (b) a written or electronic document accompanying the instrument.

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- (4) A person who knowingly fails to comply with **subsection (3)** commits an offence and is liable on conviction to a fine not exceeding 25% of the value of the land involved, as assessed for the purposes of this section by the Registrar.
- (5) Any person may have read-only access to the register without payment of a fee.
- (6) Land Information New Zealand must state in each annual report under section 43 of the Public Finance Act 1989—
  - (a) the number of registered proprietors in the register at the end of the financial year; and
  - (b) the total amount and value of land involved.

### **Explanatory note**

This Supplementary Order Paper amends the Land Transfer Bill to insert *new clause 9A*, requiring the Registrar to keep a foreign ownership of land register.

There is currently no easy or accurate way to measure the amount of land under the control of foreign nationals. This is due to the fact that, unlike in other jurisdictions, there is no official database of foreign ownership in New Zealand. As it currently stands, estimates as to the extent of foreign land ownership vary from 1% to over 3%.

While the Overseas Investment Office collects data about applications and their subsequent grant or rejection, these details that the office collects do not fully capture the extent of foreign ownership in New Zealand.

This amendment will ensure that a comprehensive register of all foreign-owned New Zealand land is compiled and made available to the general public. The register will record names and nationalities, the amount and value of land involved, and the regions in which the land is situated. Purchasers will be obligated, upon registering land dealings, to provide the information for the register.

The register will apply to all dealings in “land” as that term is defined in *clause 5* of the Bill. The definition of “land” includes estates and interests in land, buildings and other permanent structures on land, land covered with water, plants and trees on land, and plants, trees, and timber on or under land.

The register is intended to be a resource for policy-makers and the general public, who will be able to gauge foreign landholdings across New Zealand as well as within their own local communities. The register will provide transparency for concerned New Zealanders.

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Wellington, New Zealand:

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