



Cabinet Legislation Committee

Minute of Decision

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Income Tax (Deemed Rate of Return on Attributing Interests in Foreign Investment Funds, 2020–21 Income Year) Order 2021

Portfolio **Revenue**

On 10 June 2021, the Cabinet Legislation Committee:

- 1 **noted** that the Income Tax (Deemed Rate of Return on Attributing Interests in Foreign Investment Funds, 2020–21 Income Year) Order 2021 sets the deemed rate of return on attributing interests in foreign investment funds at 4.43 per cent for the 2020–21 income year;
- 2 **authorised** the submission to the Executive Council of the Income Tax (Deemed Rate of Return on Attributing Interests in Foreign Investment Funds, 2020–21 Income Year) Order 2021 [PCO 23831/3.0];
- 3 **noted** that a waiver of the 28-day rule was sought:
 - 3.1 so that the Order can come into force on 18 June 2021;
 - 3.2 on the grounds that taxpayers using the deemed rate of return method for calculating their income must wait for the 2020–21 rate to come into force, and that it is of no benefit to taxpayers or the government to require taxpayers using the rate to wait an extra 28 days to be able to file their tax return;
- 4 **agreed** to a waiver of the 28-day rule.

Rebecca Davies
Committee Secretary

Present:

Hon Chris Hipkins (Chair)
Hon Andrew Little
Hon David Parker
Hon Nanaia Mahuta
Hon Poto Williams
Hon Jan Tinetti
Kieran McAnulty, MP

Officials present from:

Office of the Prime Minister
Officials Committee for LEG