



Cabinet

Minute of Decision

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North Island Floods Supplementary Order Paper: Approval for Release

Portfolio **Revenue**

On 6 March 2023, Cabinet:

- 1 **agreed** to extend the time limit for accommodation provided to employees working on limited duration projects, to the extent those projects are related to the rebuild and recovery from a North Island flood event, to five years for employees who relocate within six months after the date of the first event;
- 2 **agreed** to include the ability for the Minister of Revenue to extend or modify the time limit for the limited duration project exemption (outlined in paragraph 1) in respect of a North Island flood event by Order in Council;
- 3 **agreed** to include an exemption from income tax, subject to the same restrictions as the previous exemptions made for the Canterbury earthquakes, for employees for:
 - 3.1 accommodation provided by their employer;
 - 3.2 amounts paid by their employer that do not exceed \$5,000;
- 4 **agreed** to include an exemption from fringe benefit tax (FBT), subject to the same restrictions as the previous exemptions made for the Canterbury earthquakes, for employees for:
 - 4.1 all sundry benefits provided by their employer;
 - 4.2 benefits provided by their employer that do not exceed \$5,000 (or such less amount taking into account any cash paid to the employee and subject to the tax exemption in paragraph 3);
- 5 **agreed** that the final date to be considered for eligibility for the Cost of Living payment be extended to 31 May 2023;

Financial implications

- 6 **noted** that paragraphs 1 to 5 have no fiscal implications;

Legislative implications

- 7 **authorised** the Minister of Revenue, in consultation with the Leader of the House, to release a Supplementary Order Paper to the Taxation (Annual Rates for 2022–23, Platform Economy, and Remedial Matters) Bill (No 2) prior to its Committee of the whole House stage, containing the measures outlined in paragraphs 1 to 4.

Rachel Hayward
Secretary of the Cabinet