

# Taxation (Land Information) Legislation

## Information for Sellers and Buyers – what you need to know

### What you need to know:

- The sale or purchase of ALL land in New Zealand will be caught by this legislation.
- It applies to all contracts for the sale and purchase of any land in New Zealand entered into on or after 1 October 2015.
- Sellers and Buyers who enter into contracts on or after 1 October 2015 will need to provide a New Zealand IRD number before the settlement can take place and possession can occur.
- It will also apply to contracts entered into before 1 October 2015 where settlement date is on or after 1 April 2016. (Otherwise for contracts that were entered into before 1 October 2015 and will settle before 1 April 2016 this legislation will not apply.)

### What Sellers and Buyers need to provide:

- Sellers and Buyers will need to provide their lawyer with their New Zealand IRD number.
- All Sellers and Buyers will need to complete and sign a Tax Statement before settlement can occur and possession can be given and taken.
- "Offshore" Sellers and Buyers will need to provide a New Zealand IRD number or obtain a New Zealand IRD number before the settlement date. (All "Offshore" Sellers and Buyers without a New Zealand IRD number will need to get a New Zealand bank account opened before applying for a New Zealand IRD number). Offshore parties also need to provide their tax number/details from their country of origin.
- An "exemption" may apply where private individuals only are selling their "main home".
- Whether this "exemption" applies depends upon a variety of factors. Advice must be taken from your accountant or lawyer.
- Entities such as trusts, companies, partnerships, charitable trusts and the like must provide an NZ IRD number for their particular entity (not individual partners or trustees) in all cases.
- Each individual seller or buyer must provide their own Tax Statement to their lawyer.
- Without the Tax Statement the seller or buyer's lawyer cannot complete settlement and delays may occur.

*DISCLAIMER: This information sheet is provided as an indicative guide only. You are recommended to consult your own accountant or lawyer concerning your personal circumstances and the requirements to complete a Tax Statement before entering into a contract to sell or buy land in New Zealand.*

Vendor/Purchaser Initials: .....

Date: .....