

2 June 2022

Angela
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Dear Angela

Thank you for your official information request of 24 May 2022. You have requested the following:

1. *Where is the Bill of Sale and wet ink signature; or Letter patent for the whenua c.f land Inland Revenue a private, for profit entity are claiming to administrate and collect taxes from?*
2. *Was Inland Revenue formed out of the 1986 constitution Act?*
3. *Why are New Zealand people required to pay PUBLIC taxes to a PRIVATE entity, and to who are the taxes being paid to for and on behalf of please?*
4. *What is the purpose and function of the private, for profit entity operating as The Inland Revenue?*
5. *Can Inland Revenue please supply the contract, letters, emails and discussions that were had in the formation stages of the Inland Revenue Acts of New Zealand, where the agreement took place, the parties to the agreement and the purpose for the agreement to remove taxes from men, women and children in New Zealand?*
6. *How much profit has Inland Revenue made in the years it has been administrating in New Zealand, and where has this profit been distributed to?*
7. *Who are shareholders of Inland Revenue New Zealand and where is the establishment certificate for Inland Revenue agreed to by the public for the collection of taxes and tithes, and where have these taxes been applied and for what purpose?*
8. *Why does Inland Revenue charge taxes to those who were first in time here on Te Ika a Maui a TikeTike a Taranga/Moana Nui a Kiwa/Aotearoa and who do the taxes go to exactly?*

I have numbered your requests and will answer them in the above numbered order.

Request 1

Tax is levied by statute not by bill of sale nor patent. The legislative authority for imposing and collecting taxes lies in the various Inland Revenue Acts, which are listed in schedule 1 to the Tax Administration Act 1994 (TAA).

Request 2

Inland Revenue was originally established through the enactment of the Inland Revenue Department Act 1952 and is now constituted by section 5 of the TAA.

Request 3

The Income Tax Act and other Inland Revenue Acts are Acts of Parliament and are binding on all persons within the territory of New Zealand. The tax statutes apply to all residents of New Zealand regardless of how they may refer to themselves or whatever status they may consider they have. As such, persons are not able to opt out of them.

Section BB 1 of the Income Tax Act 2007 states that "Income tax is imposed on taxable income, at the rate or rates of tax fixed by an annual taxing Act and is payable to the Crown under this Act and the Tax Administration Act 1994".

Request 4

Inland Revenue is a department of State responsible for the care and management of the taxes covered by the Inland Revenue Acts and with such other functions as may be conferred on the department. Inland Revenue is not a private for-profit entity.

Request 5

The Inland Revenue Acts are Acts of Parliament. The Parliament of New Zealand has full power to make laws, which was confirmed by the Court of Appeal in the decision of *Shaw v Commissioner of Inland Revenue* [1999] 3 NZLR 154.

To avoid doubt tax is levied by statute and not by contract or agreement. I refer you to Paragraph 40 of Judge Barber's decision in the case *Commissioner of Inland Revenue v Boyton* (2001) 20 NZTC 17,389 which was later confirmed by the High Court. Judge Barber stated:

A theme of the defendant's submissions seemed to be that his liability in this case is a matter of "contract", presumably with the State or the IRD. In fact, taxation is levied by Parliament and is covered by Statute and not by any system of contracts.

As mentioned above the legislative authority for imposing and collecting taxes lies in the various Inland Revenue Acts, which are listed in schedule 1 to the TAA. Since tax obligations are imposed by statute and not by contract, persons are not able to opt out of them. Those who do not pay the tax which is due from them or otherwise do not meet their obligations under the tax Acts will generally find themselves in breach of the law and subject to the penalties imposed by the law.

Request 6

As mentioned above the tax is payable to the Crown under the Income Tax Act 2007 and the TAA. Inland Revenue's annual report is available on our website www.ird.govt.nz, which records the tax collected by the department and social policy entitlements paid to taxpayers.

Request 7

Inland Revenue does not have shareholders as it is a department of the State.

Request 8

The New Zealand Parliament is empowered to make legislation. They have passed valid legislation including the various tax Acts which provide the authority for imposing and collecting tax. As mentioned above Inland Revenue Acts are binding on all persons within the territory of New Zealand. The tax statutes apply to all residents of New Zealand regardless of how they may refer to themselves.

Tax is payable to the Crown. The word "Crown" is defined, for government fiscal purposes, in financial enactments such as the Public Finance Act 1989 and the yearly appropriations Acts. That definition is:

"Crown" or "the Sovereign" -

- a) means the Sovereign in right of New Zealand; and
- b) includes all Ministers of the Crown and all departments; but
- c) does not include -
 - i. an Office of Parliament; or
 - ii. a Crown entity; or

- iii. a State enterprise named in Schedule 1 of the State-Owned Enterprises Act 1986; or,
- iv. a Schedule 4 organisation; or
- v. a Schedule 4A company; or
- vi. a mixed ownership model company

Taxes provide funding for essential public services such as health, education, social welfare, roading, police, and fire and emergency services to name a few.

Thank you for writing. I trust this information is of assistance to you.

Yours sincerely



Craig O'Halloran
Officer, Inland Revenue