

22 June 2015

Ms Leigh Barber
fyi-request-2820-41f62be9@requests.fyi.org.nz

Dear Ms Barber

Thank you for your Official Information Act request of 7 June 2015, made through the FYI website. I have addressed each of your questions in turn below.

I note you have indicated that your questions relate to the years 1990 to 1995. If you have concerns about a particular matter from that time, you may wish to consult with a legal professional or to write to me in more detail at the above address. You can find more general information on our website www.ird.govt.nz by searching for "tax issues after bereavement" or by telephoning our contact centre on 0800 227 774.

1. *Why would an estate executor need to supply income details of a deceased persons spouse to the Inland Revenue Department regarding tax credits?*

I suspect that Inland Revenue may have required an estate executor to supply income details of the deceased person's spouse to enable our staff to calculate entitlements to family tax credits. There may, however, have been other reasons for such a request. For example, a tax investigation or audit may have been in progress, and the deceased person had been asked or was required to provide certain information to Inland Revenue.

2. *What forms and procedures would Inland Revenue have required an estate executor to file to wind up an estate that had assets of a moderate value?*

The executor or administrator of a deceased person's estate is required to file any returns that the deceased would have been liable to file had he or she remained alive. The executor or administrator is also required to file a return to account for income that was accrued at the date of death but received by the trustees after the date of death. Without knowing a particular deceased person's situation, it is difficult to comment on what those return obligations may be.

3. *Please explain the steps involved & who would perform them ie Administrator or IRD.*

Refer to my answer to your second question, above. Inland Revenue may require other returns to be filed as necessary. It may be helpful to mention that income tax assessed for a deceased person is deemed to be a liability incurred by the deceased during his or her lifetime. The executor or administrator, however, is liable for its payment.

Thank you again for writing. I trust that my comments are of assistance to you.

Yours sincerely

A handwritten signature in blue ink, consisting of a large, stylized 'C' followed by a smaller 'G' and a long, sweeping horizontal line extending to the right.

Christina Goodall
Manager, Commissioner's Correspondence