

24 February 2017

Lisa Mariott  
Victoria University  
fyi-request-5280-b1b38b4f@requests.fyi.org.nz

Dear Ms Mariott

Thank you for your request made under the Official Information Act 1982 (the OIA), received on 26 January 2017. You requested the following:

*.....provide the following information for the years 2013/13, 2013/14, 2014/15, 2015/16:*

- *The value of penalties applied on tax debt (**item one**), the value of penalties collected (**item two**) and the value of penalties written off (**item three**)*
- *The value of interest applied on tax debt (**item four**), the value of interest collected (**item five**) and the value of interest written off (**item six**)*
- *The value of tax debt written off (excluding penalties and interest if possible) (**item seven**)*
- *The number of taxpayers with current installment arrangements (for repayment of tax debt) (**item eight**)*

I will answer your questions in turn:

**Items one, two, four and five**

Your request is declined under Section 18(c)(i) of the Official Information Act 1982 because releasing it would be contrary to the provisions of a specified enactment – section 81 of the Tax Administration Act 1994 (TAA).

Most of the information you have requested is covered by the secrecy provisions contained in section 81. It can, therefore, only be released if one of the exceptions to secrecy (as set out in section 81) applies and the Commissioner has decided to exercise her discretion under that exception.

I have considered the exceptions to secrecy, including the general exception contained in section 81(1B). This requires the release of information to support a duty of the Commissioner and involves considering whether release would be reasonable in light of the following five factors:

- (i) The Commissioner's obligation at all times to use best endeavours to protect the integrity of the tax system; and
- (ii) The importance of promoting compliance by taxpayers, especially voluntary compliance; and
- (iii) Any personal or commercial impact of the communication; and

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- (iv) The resources available to the Commissioner; and
- (v) The public availability of the information.

Releasing the information you have requested would not support a duty of the Commissioner. In addition, given the size of your initial request gathering the data, collating, reviewing and drafting a response, together with the consultation necessary, would not be a reasonable use of the resources available to the Commissioner.

However, in relation to items one and four you may be interested in more general data released in Inland Revenue's annual reports which are available at [www.ird.govt.nz](http://www.ird.govt.nz). I have provided the page numbers below for your reference. These figures include the total amount of tax penalties and interest imposed in the prescribed year.

Annual Report	Page
2016	134
2015	152
2014	130
2013	143

### Items three and six

Inland Revenue's tax administration system does not appropriate the write off amount between penalties and interest. Rather it reduces the balance of the tax period using a single transaction. Accordingly, your request for this information has been declined under section 18(e) of the OIA as the information cannot be found.

### Item seven

As mentioned above, this information is also not available as an amount excluding penalties and interest. The figures in Inland Revenue's annual reports outline the total amount of tax debt written off and impaired in the prescribed year.

Annual Report	Page
2016	110
2015	128
2014	102
2013	119

### Item eight

The first column in the following table outlines the number of customers that were granted an instalment arrangement for the specified year. The second column outlines the number of arrangements that remain current.

Year ended 31 March	Number of customers	Number still current
2013	89,632	89
2014	101,636	501
2015	112,438	2,117
2016	110,920	10,897

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## Right of Review

If you disagree with my decision you have the right, under section 28(3) of the Act, to ask the Ombudsman to investigate and review my decision. The office of the Ombudsman can be contacted at PO Box 10152, The Terrace, Wellington 6143.

Alternatively you may have the decision reviewed by an Inland Revenue review officer. This does not preclude you from subsequently seeking a review by the Ombudsman if you are not satisfied with the department's internal review. If you would like an internal review, please write to the Commissioner of Inland Revenue, PO Box 2198, Wellington 6140, setting out the details of your request.

Thank you for your request. I trust that this information is of assistance to you.

Yours sincerely



Keith Taylor  
**Policy Manager**

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