

28 June 2018

Yang Yang
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Dear Yang

On 14 December 2017 you made a request for Official information under the Official Information Act 1982 (the Act), where you requested the following:

...data about total rental profits, total rental losses and total net rental from the earliest year that has available data to the year of 2017 by territorial authorities (preferred) or regional councils.

On 2 February 2018 we sent you a response and an excel spreadsheet containing data about total rental profits, total rental losses and total net rental from 1998 to 2016 (by region).

Since the previous response was issued, we have identified there was an error in a line of code, meaning the information provided was incorrect. We have since corrected this error, and attach an excel spreadsheet document containing the corrected data about total rental profits, total rental losses and total net rental income from 1998 to 2016 (by region).

The strong caveats to regional breakdowns of Inland Revenue tax administrative data included in the previous response still apply to the updated data. This is because of insufficient coverage in some aspects (for example, non-filers with old addresses and missing addresses). More importantly, tax returns do not individually identify the region where the aggregated net residential rental income or loss is related to. For example, aggregated residential rental income reported from Auckland does not necessarily mean that all the rental activities were located in Auckland.

Please note that taxpayers with residential rental income were identified from a generic search on business activities. This exercise attempted to exclude other rental activity such as commercial property, but since taxpayers often do not provide sufficiently clear descriptive details, an element of commercial or other non-residential rental activity (for example, a boat renting business) may remain.

For natural persons, the net rental income is clearly identifiable from a separate question on tax returns. Company tax returns do not contain this question. Hence for business entities whose main activity is renting, the net business profits are assumed to all come from this activity – even though that may not necessarily be the case.

The regional breakdown provided in this response is based on post codes contained in the address of the filer of relevant tax returns. The regions that are provided are New Zealand Post's post code regions, rather than territorial authority or regional council boundaries.

The updated information is supplied in the attached Excel spreadsheet. Please take note of the caveats described in the "notes" table in this spreadsheet.

Yours sincerely

A handwritten signature in blue ink that reads "Sandra Watson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Sandra Watson
Manager, Forecasting and Analysis