



COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020

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Commencement see section 2

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The Parliament of New Zealand enacts as follows:

1 Title

This Act is the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020.

2 Commencement

- (1) This Act comes into force on the date on which it receives the Royal assent, except as provided otherwise in this section.
- (2) Sections 17 and 18 come into force on 17 March 2020.
- (3) Sections 7, 8, 9, 10, 11, 13, 14, 15(2), 21, and 22 come into force on 15 April 2020.
- (4) Sections 4, 12, 15(3), (4), (5), (6), (7), (8), (9), (10), (11), (13), (14), (15), and (16), 20, 25, 26, 27, 28, and 29 come into force on 20 April 2020.

Part 1 Amendments to Inland Revenue Acts

Income Tax Act 2007 amended

3 Income Tax Act 2007

Sections 4 to 15 amend the Income Tax Act 2007.

4 Section CW 33 amended (Allowances and benefits)

- (1) Replace section CW 33(1)(a) with:
 - (a) a monetary benefit under the Social Security Act 2018, except any of the following kinds:
 - (i) an income-tested benefit:
 - (ii) a payment of New Zealand superannuation equivalent assistance:
 - (iii) a payment of veteran's pension equivalent assistance:
- (2) In section CW 33, list of defined terms, insert "New Zealand superannuation equivalent assistance" and "veteran's pension equivalent assistance".

5 Section DF 1 amended (Government grants to businesses)

- (1) After section DF 1(1)(c), insert:
 - (cb) the payment is not an amount of a loan under the small business cash-flow scheme under section 7AA of the Tax Administration Act 1994; and
- (2) In section DF 1, in the list of defined terms, insert "small business cashflow scheme".

6 Section EW 45 amended (Consideration when debtor released from obligation)

- (1) In section EW 45(1)(b)(iii), replace "subsection (2)." with "subsection (2); or", and insert:
 - (iv) the terms of a loan under the small business cashflow scheme under section 7AA of the Tax Administration Act 1994.

- (2) In section EW 45, in the list of defined terms, insert “small business cashflow scheme”.

7 New section GB 3B inserted (Arrangements for carrying back net losses: companies)

After section GB 3, insert:

GB 3B Arrangements for carrying back net losses: companies

When this section applies

- (1) This section applies when—
- (a) a share in a company (the **loss company**) or another company has been subject to an arrangement, including an arrangement directly or indirectly altering rights attached to the shares; and
 - (b) the arrangement allows the loss company to meet the requirements of section IZ 8 (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year); and
 - (c) a purpose of the arrangement is to defeat the intent and application of section IZ 8.

Company treated as not meeting requirements

- (2) The loss company is treated as not meeting the requirements of section IZ 8 in relation to the shares.

Defined in this Act: arrangement, company, share

8 Section GB 4 amended (Arrangements for grouping tax losses: companies)

- (1) In section GB 4(1)(b), replace “section IZ 7” with “sections IZ 7 and IZ 8”.
- (2) In section GB 4(2), replace “section IZ 7” with “section IZ 7 or IZ 8”.

9 Section IC 9 amended (Date for payment and notice to Commissioner)

- (1) After section IC 9(3), insert:

Exception for payment arising from election under section IZ 8

- (4) Despite subsection (3), for a company that is a member of a group of companies and a tax year in which the company uses a tax loss that arises from an election by another group member under section IZ 8 (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year) and is made available by the other group member, the extended return date is determined using the tax year in which the net loss affected by the election arises for the other group member.
- (2) In section IC 9, list of defined terms, insert “group of companies” and “net loss”.

10 Section ID 1 amended (Treatment of tax losses by consolidated groups)

In section ID 1(1), after “losses)” insert “and section IZ 8 (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year)”.

11 New section IZ 8 inserted (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year)

(1) After section IZ 7, insert:

IZ 8 Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year

Terms used in this section

- (1) This section provides that a person who has taxable income in the 2018–19 or 2019–20 income year and a net loss in the following income year may choose to reduce the taxable income in the first year by an amount, which is treated as being available tax loss that can be used in the first income year, and subtracting the same amount from the net loss that would otherwise be available in the second income year, subject to restrictions that are expressed in terms of—
- (a) the **offset years**, which refers to the period of 2 years that is affected by the election and begins with either the 2018–19 or the 2019–20 income year:
 - (b) the **taxable income year**, which refers to the first of the offset years:
 - (c) the **initial taxable income**, which refers to the amount of taxable income given by subsection (2)(a) for the person and the taxable income year:
 - (d) the **net loss year**, which refers to the second of the offset years:
 - (e) the **elected amount**, which refers to the amount by which an election under this section reduces both the initial taxable income and the net loss that, in the absence of the election, the person would have in the net loss year:
 - (f) the **offset ownership period**, which refers to the period in the offset years for which a person that is a company meets requirements relating to continuity of ownership for carrying forward loss balances from 1 tax year to the next:
 - (g) the **income ownership period**, which refers to the part of the offset ownership period that occurs in the taxable income year:
 - (h) the **loss ownership period**, which refers to the part of the offset ownership period that occurs in the net loss year:
 - (i) the **group loss excess**, which is the amount of the excess of net loss given by subsection (3)(b) for the members of a wholly-owned group of companies and the loss ownership period.

Who may make election under this section: general rule

- (2) A person, other than a person who is a member of a wholly-owned group of companies during the offset ownership period, may make an election under this section for the period consisting of 2 income years beginning with the 2018–19 or the 2019–2020 income year if,—
- (a) in the absence of an election under this section, the person would have an amount of taxable income remaining in the taxable income year after subtracting the total amount of charitable donations for which the person has a tax credit for the taxable year under subpart LD (Tax credits for gifts and donations); and
 - (b) in the absence of an election under this section, the person would have a net loss in the net loss year; and
 - (c) the person is not a qualifying individual, as defined in section 3 of the Tax Administration Act 1994, in the net loss year and is not a multi-rate PIE in the offset years; and
 - (d) when the person is a company, the person meets the requirements relating to continuity of ownership given by section IA 5 or IP 3 (which give the requirements for companies to carry forward loss balances) during the offset ownership period.

Who may make election under this section: rule for member of wholly-owned group

- (3) A person who is a member of a wholly-owned group of companies during the offset ownership period may make an election under this section for the offset years if,—
- (a) in the absence of an election under this section, the person would have a net loss in the net loss year; and
 - (b) in the absence of an election under this section, an excess of net loss would remain for the loss ownership period if the total amount of the net loss of the person and the other group members were reduced by the total amount of the net income of the person and the other group members for which the other group members have not used non-refundable tax credits to meet income tax liabilities; and
 - (c) the person meets the requirements relating to continuity of ownership given by section IA 5 or IP 3 during the offset ownership period.

Making election

- (4) The person makes the election by including the elected amount, which must not exceed the amount given for the person by subsection (5), (6), or (7), as an available tax loss in calculating the person's taxable income for the taxable income year, in—
- (a) a return of income for the taxable income year; or

- (b) a request that the Commissioner amend under section 113 of the Tax Administration Act 1994 the assessment for the taxable income year.

Effect of election: person other than company

- (5) If the person is not a company, the person's net loss for the net loss year is reduced, and the person's available tax loss for the taxable income year is increased, by an amount that is the smallest of—
 - (a) the initial taxable income referred to in subsection (2)(a):
 - (b) the amount of the net loss referred to in subsection (2)(b):
 - (c) the elected amount.

Effect of election: company not in group

- (6) If the person is a company, other than a company that is a member of a group of companies at a time in the offset ownership period, the person's net loss for the net loss year is reduced, and the person's available tax loss for the taxable income year is increased, by an amount that is the smallest of—
 - (a) the initial taxable income referred to in subsection (2)(a):
 - (b) the amount of the net income of the person for the income ownership period:
 - (c) the amount of the net loss referred to in subsection (2)(b):
 - (d) the amount of the net loss of the person for the loss ownership period:
 - (e) the elected amount.

Effect of election: member of group of companies

- (7) If the person is a member of a group of companies at a time in the offset ownership period, the person's net loss for the loss ownership period is reduced, and the person's available tax loss for the income ownership period is increased, by an amount that is the smallest of—
 - (a) the total amount of—
 - (i) the smaller of the initial taxable income referred to in subsection (2)(a) and the net income of the person for the income ownership period:
 - (ii) the part of the elected amount that is made available under subparts IC and IP (which relate to the use and grouping of tax losses) to other members of the group of companies in the taxable income year:
 - (b) if the person is a member of a wholly-owned group in the loss ownership period, the group loss excess referred to in subsection (3)(b) reduced by the total amount of the reductions in net loss for the period for the other members of the group from elections under this section:
 - (c) the elected amount.

Application of subparts IC and IP to amounts made available to members of group

- (8) In the application of subparts IC and IP to the making available by a person, to another member of a group of companies, of an amount of available tax loss arising for the person under subsection (7),—
- (a) the amount of available tax loss that exceeds the person's initial taxable income is a tax loss for the taxable income year for the purposes of section IC 1 (Company A making tax loss available to company B):
 - (b) the commonality period referred to in section IC 6 (Common ownership for period) is the period consisting of the offset years:
 - (c) the requirements in section IP 4(2)(d) and (4) and section IP 5 (which relate to breaches of continuity or commonality requirements) are not applied:
 - (d) the requirements in section IP 4(2)(a), (ab), and (c) (Breach in income year in which tax loss component arises) are replaced by the requirements given by subsection (9).

Replacement requirements in applying section IP 4(2)

- (9) The replacement requirements in section IP 4(2) are—
- (a) the net loss giving rise to the available tax loss arises in the portion of the loss ownership period that is included in the common span; and
 - (b) the amount of the available tax loss is no more than the net income that the group company derives in the portion of the income ownership period that is included in the common span; and
 - (c) the person and the group company provide the Commissioner with adequate financial statements under section IP 6 (Financial statements required).

When allocation of net loss effective

- (10) The increase in the person's available tax loss for the taxable income year is not effective until the person—
- (a) files a return of income for the taxable income year that includes a figure for the elected amount or an updated figure replacing a figure for the elected amount; or
 - (b) makes a request that the Commissioner amend under section 113 of the Tax Administration Act 1994 the assessment for the taxable income year based on a figure or an updated figure for the elected amount.

Requests required for some amended assessments

- (11) A person who makes an election under this section must make a request that the Commissioner amend under section 113 of the Tax Administration Act 1994 the assessment for the taxable income year if the elected amount used in

the most recent assessment of that income year exceeds the amount permitted by this section in the return of income for the net loss year.

Accounting for part years in ownership continuity period

- (12) If the offset ownership period for a company includes a part, but not all, of an income year, the company must provide to the Commissioner adequate financial statements for the relevant part of the income year complying with the requirements of sections IP 3(2) and (4) (Continuity breach: tax loss components of companies carried forward) and IP 6.

Defined in this Act: assessment, available tax loss, Commissioner, company, continuity period, deduction, group of companies, ICA company, imputation credit account, income, income tax liability, income year, multi-rate PIE, net income, net loss, non-refundable tax credit, qualifying individual, return of income, tax loss, tax return, tax year, taxable income, wholly-owned group of companies

- (2) Subsection (1) applies for the 2018–19 to 2020–21 income years.

12 Section MD 6 amended (Second requirement: principal care)

- (1) In section MD 6(2), delete “under section 43 or 46 of the Social Security Act 2018”.
- (2) In section MD 6, list of defined terms, insert “orphan’s benefit” and “unsupported child’s benefit”.

13 Section RC 7 amended (Estimation method)

- (1) After section RC 7(3), insert:

Exception for person making election under section IZ 8

- (3B) A person, including a person who otherwise does not use the estimation method in the tax year, who makes an election under section IZ 8 (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year), and a shareholder-employee of such a person, may make or revise an estimate made under subsection (2), for the tax year corresponding to the income year referred to in section IZ 8 as the taxable income year, before the earlier of the date on which the person files the return of income for the tax year and the date on which the return is due.

- (2) In section RC 7, list of defined terms, insert “income year”, “return”, “return of income”, and “shareholder-employee”.
- (3) Subsection (1) applies for the 2018–19 to 2020–21 income years.

14 Section RM 10 amended (Using refund to satisfy tax liability)

In section RM 10(4), after “RM 8”, insert “, or arising from an election under section IZ 8 (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year),”.

15 Section YA 1 amended (Definitions)

- (1) This section amends section YA 1.

- (2) In the definition of **available tax loss**,—
- (a) in paragraph (d), replace “income” with “income:”:
 - (b) after paragraph (d), insert:
 - (e) an amount treated as being an amount of available tax loss under section IZ 8 (Election to use net loss for 2019–20 or 2020–21 year as tax loss in preceding year) for a tax year referred to in that section as the taxable income year
- (3) Insert, in appropriate alphabetical order:
- COVID-19 New Zealanders Stranded Overseas Support Programme** means the welfare programme of that name approved and established under section 101 of the Social Security Act 2018 on 17 April 2020
- (4) In the definition of **dependent child**, paragraph (b)(ii), delete “under section 43 or 46 of the Social Security Act 2018”.
- (5) In the definition of **financially independent**,—
- (a) in paragraph (d), replace “2018” with “2018; or”:
 - (b) after paragraph (d), insert:
 - (e) receiving New Zealand superannuation equivalent assistance or veteran’s pension equivalent assistance
- (6) In the definition of **income-tested benefit**, after paragraph (f), insert:
- (g) main benefit equivalent assistance
- (7) Insert, in appropriate alphabetical order:
- main benefit equivalent assistance** means special assistance granted under—
- (a) clause 9 of the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to a main benefit, as defined in schedule 2 of the Social Security Act 2018; or
 - (b) clause 11 of that programme
- (8) In the definition of **New Zealand superannuation**, replace paragraph (a) with:
- (a) means any of the following:
 - (i) New Zealand superannuation payable under Part 1 of the New Zealand Superannuation and Retirement Income Act 2001:
 - (ii) New Zealand superannuation equivalent assistance; and
- (9) Insert, in appropriate alphabetical order:
- New Zealand superannuation equivalent assistance** means special assistance granted under clause 9 or 10 of the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to New Zealand superannuation, ignoring paragraph (a)(ii) of the definition of **New Zealand superannuation**
- (10) Insert, in appropriate alphabetical order:

orphan's benefit means any of the following:

- (a) an orphan's benefit payable under section 43 of the Social Security Act 2018:
- (b) orphan's benefit equivalent assistance

(11) Insert, in appropriate alphabetical order:

orphan's benefit equivalent assistance means special assistance granted under clause 9 or 12 of the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to an orphan's benefit payable under section 43 of the Social Security Act 2018

(12) Insert, in appropriate alphabetical order:

small business cashflow scheme means the Small Business Cashflow (Loan) Scheme established by the Crown to provide loans to assist small-to-medium businesses in the circumstances arising from the continuing impact of COVID-19 related measures or circumstances

(13) Insert, in appropriate alphabetical order:

unsupported child's benefit means any of the following:

- (a) an unsupported child's benefit payable under section 46 of the Social Security Act 2018:
- (b) unsupported child's benefit equivalent assistance

(14) Insert, in appropriate alphabetical order:

unsupported child's benefit equivalent assistance means special assistance granted under clause 9 or 12 of the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to an unsupported child's benefit payable under section 46 of the Social Security Act 2018

(15) Replace the definition of **veteran's pension** with:

veteran's pension means any of the following:

- (a) a veteran's pension, other than a portable veteran's pension, paid or payable under Part 6 of the Veterans' Support Act 2014:
- (b) veteran's pension equivalent assistance

(16) Insert, in appropriate alphabetical order:

veteran's pension equivalent assistance means special assistance granted under clause 9 or 10 of the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to a veteran's pension, ignoring paragraph (b) of the definition of **veteran's pension**

Tax Administration Act 1994 amended

16 Tax Administration Act 1994

Sections 17 to 23 amend the Tax Administration Act 1994.

17 Section 3 amended (Interpretation)

In section 3(1), definition of **disputable decision**, paragraph (b)(iv), replace “challenge notice” with “challenge notice; or”, and insert:

- (v) to issue, or to decline to issue, a Commissioner’s COVID-19 response variation under section 6I; or
- (vi) to grant, or to decline to grant, a loan under the small business cashflow scheme under section 7AA

18 New heading and new sections 6H and 6I inserted

After section 6G, insert:

COVID-19 response variations

6H COVID-19 response: powers to vary provisions of Inland Revenue Acts

Commissioner’s discretionary power

- (1) Section 6I provides the Commissioner with a discretionary power to extend a due date, deadline, time period, or timeframe set out in an Inland Revenue Act, or to vary a procedural or administrative requirement of an Inland Revenue Act, to apply in certain circumstances and for a limited time.

Purpose of section 6I

- (2) The purpose of section 6I is to provide the Commissioner with some flexibility to mitigate the effect of a provision of the Inland Revenue Acts when compliance is impossible, impractical, or unreasonable for a person or a class of persons in circumstances arising either from the imposition of COVID-19 response measures or as a consequence of COVID-19.

Supplementary discretionary power

- (3) The discretionary power to make a variation under section 6I supplements the powers of the Commissioner under the provisions of this Act. The power to vary a provision is intended to be used only when the Commissioner considers that an appropriate outcome is not possible or is difficult to achieve under the terms of an existing provision.

Application of section 6I

- (4) Section 6I applies in relation to a variation of a provision for some or all of the period starting on 17 March 2020 and ending on 30 September 2021. However, the Governor-General may, by Order in Council made on the recommendation of the Minister of Revenue, extend the application of section 6I if it is reasonably necessary in the circumstances because of the continuing impact of COVID-19 related measures or circumstances.

Extended meaning of Inland Revenue Acts

- (5) For the purpose of this section and section 6I, Inland Revenue Acts includes the Unclaimed Money Act 1971.

6I COVID-19 response: Commissioner's variations*Power to vary*

- (1) The Commissioner may vary the application of a provision in an Inland Revenue Act by—
- (a) extending a due date, deadline, time period, or timeframe by, within, or in relation to which—
 - (i) a person must comply with a requirement set out in the provision:
 - (ii) a person must make an election under the provision:
 - (iii) a person's entitlements, rights, or obligations are affected:
 - (b) modifying a procedural or administrative requirement that a person must meet under the provision, *for example*, modifying the nature or form of information or action required under the provision.

Person treated as meeting requirements

- (2) A person who complies with a variation made under this section is treated as having met their requirements under the relevant Act.

General application

- (3) A variation made under subsection (1) applies generally unless it is expressly stated that the variation—
- (a) applies to a particular class of persons or circumstances; or
 - (b) requires certain conditions to be met for the variation to apply.

Optional application

- (4) Despite subsection (3), a person to whom a variation is available may choose whether or not to apply the variation by taking a tax position, *for example*, in a return of income, or by informing the Commissioner of their election. If the person chooses not to apply a variation, the law applies as if the variation did not apply in relation to the person.

Publication

- (5) The Commissioner must publish a variation made under this section in a manner chosen by the Commissioner.

19 New section 7AA inserted (Authorisation to make payments under small business cashflow scheme)

After section 7, insert:

7AA Authorisation to make payments under small business cashflow loan scheme

- (1) The Commissioner, on behalf of the Crown, may grant a loan under the small business cashflow scheme (the **scheme**) to a person who—
- (a) meets the eligibility requirements for a loan under the scheme; and

- (b) makes a loan application to the Commissioner; and
 - (c) enters into a loan contract with the Commissioner.
- (2) For the purposes of subsection (1)(b), the Commissioner must publish the eligibility requirements for a loan under the scheme on an internet site administered by the Commissioner.
- (3) The person in whose name the loan application is made—
- (a) must provide the information to the Commissioner required by the loan contract; and
 - (b) is bound by the terms of the loan contract and must pay or repay all amounts payable by the person under the loan contract at the times and in the manner provided in the loan contract.
- (4) If a person who receives a payment from the Commissioner does not meet the required eligibility requirements, the person must repay the total amount to the Commissioner immediately.
- (5) A loan contract under this section is not a credit contract or a consumer credit contract for the purposes of the Credit Contracts and Consumer Finance Act 2003.
- (6) For the purposes of this section,—
- loan contract** means a loan contract or agreement that—
- (a) is provided by or on behalf of the Commissioner to a person in whose name a loan application has been made; and
 - (b) records the terms on which a loan under the small business cashflow scheme is, or will be, made
- small business cashflow scheme** means the Small Business Cashflow (Loan) Scheme established by the Crown to provide loans to assist small-to-medium businesses in the circumstances arising from the continuing impact of COVID-19 related measures or circumstances.

20 Section 80KK amended (Payment by instalment of family tax credit and Best Start tax credit (without abatement))

In section 80KK(3)(a)(i), delete “paid or payable under the Social Security Act 1964 or the Social Security Act 2018”.

21 New section 113G inserted (Amended assessments: tax year to which net loss carried back under section IZ 8)

After section 113F, insert:

113G Amended assessments: tax year to which net loss carried back under section IZ 8

- (1) This section applies if—

- (a) a person elects to carry back a net loss from a tax year (the **loss year**) to the preceding tax year under section IZ 8 of the Income Tax Act 2007; and
 - (b) the Commissioner amends the assessment for the loss year because the person's assessment for the loss year is based on an amount for the net loss carried back that does not meet the requirements of that section.
- (2) Despite the time bar, the Commissioner may amend the assessment for the tax year preceding the loss year at the same time as the Commissioner amends the assessment for the loss year.

22 Section 183ABAB amended (Remission for taxpayers affected by COVID-19)

- (1) In section 183ABAB(1),—
- (a) in paragraph (c), replace “due date.” with “due date; and”;
 - (b) after paragraph (c), insert:
 - (d) the requirement for the payment does not arise from an election under section IZ 8 of the Income Tax Act 2007 by the taxpayer, or by a company in the same group of companies as the taxpayer.
- (2) Subsection (1) applies for the 2018–19 to 2020–21 income years.

23 Schedule 7 amended (Disclosure Rules)

In schedule 7, after clause 45, insert:

45B Social Development: wage subsidy scheme information

- (1) The purpose of this clause is to facilitate the exchange of information between the Inland Revenue Department and the Ministry of Social Development for the purpose of the administration by the Commissioner of the small business cashflow scheme.
- (2) For the purposes of this clause, the chief executive of the Ministry of Social Development may from time to time provide the Commissioner with information relating to the wage subsidy scheme administered by the Ministry.
- (3) The Commissioner may use the information supplied under this clause in connection with the exercise or performance of any of the Commissioner's duties, powers, or functions under the Inland Revenue Acts.
- (4) For the purposes of this section,—
small business cashflow scheme means the Small Business Cashflow (Loan) Scheme established by the Crown to provide loans to assist small-to-medium businesses in the circumstances arising from the continuing impact of COVID-19 related measures or circumstances

wage subsidy scheme means the subsidy scheme that is established as part of the Government's COVID-19 response measures and which the Ministry administers on behalf of the Government.

Child Support Act 1991 amended

24 Child Support Act 1991

Sections 25 to 29 amend the Child Support Act 1991.

25 Section 2 amended (Interpretation)

- (1) In section 2(1), insert, in appropriate alphabetical order:

COVID-19 New Zealanders Stranded Overseas Support Programme means the welfare programme of that name approved and established under section 101 of the Social Security Act 2018 on 17 April 2020

- (2) In section 2(1), definition of **social security benefit**, after paragraph (d), insert:
- (e) special assistance under the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to a benefit of a kind specified in paragraph (a), (c), or (d), but only if granted to a sole parent (within the meaning of that Act):
 - (f) special assistance under that programme that corresponds to a benefit of the kind specified in paragraph (b)

26 Section 9 amended (Social security beneficiaries must apply for formula assessment)

In section 9(8), insert, in appropriate alphabetical order:

unsupported child's benefit includes special assistance under the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to an unsupported child's benefit under section 46 of the Social Security Act 2018

27 Section 27 amended (Election by receiving carer to end formula assessment)

- (1) In section 27(4)(a), replace "or (d)" with "(d), or (e)".
- (2) In section 27(4)(b), replace "paragraph (b)" with "paragraph (b) or (f)".
- (3) In section 27(4)(b), replace "unsupported child's benefit" with "unsupported child's benefit or special assistance".

28 Section 35A amended (Living allowance)

Replace section 35A(2)(b) with:

- (b) for a person granted a supported living payment under subpart 4 of Part 2 of the Social Security Act 2018, special assistance under the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to such a payment, or both, the rate set out in clause 1(c) of

Part 3 of Schedule 4 of that Act (ignoring the reference to Income Test 1).

29 Section 142 amended (Payment of formula assessment child support to receiving carers who are social security beneficiaries)

After section 142(3), insert:

- (4) In this section and section 143, **unsupported child's benefit** includes special assistance under the COVID-19 New Zealanders Stranded Overseas Support Programme that corresponds to an unsupported child's benefit under section 46 of the Social Security Act 2018.

Part 2

Amendments to other Acts

Animal Welfare Amendment Act (No 2) 2015 amended

30 Animal Welfare Amendment Act (No 2) 2015

Section 31 amends the Animal Welfare Amendment Act (No 2) 2015.

31 Section 2 amended (Commencement)

- (1) In section 2(1), replace “Sections 5(1), (5), and (6), 9, 11(2), 13(1), 14 to 19, 23 to 25, 26, 29(1), 56, and 68(2)” with “Sections 5(5), 23 to 26, and 56”.
- (2) After section 2(1), insert:
- (1A) Sections 5(1) and (6), 9, 11(2), 13(1), 14 to 19, 29(1), and 68(2) come into force on the earlier of the following:
- (a) a date appointed by the Governor-General by Order in Council:
 - (b) 9 May 2021.
- (3) In section 2(6), replace “subsection (1) or (2)” with “subsection (1), (1A), or (2)”.

Credit Contracts Legislation Amendment Act 2019 amended

32 Credit Contracts Legislation Amendment Act 2019

Sections 33 and 34 amend the Credit Contracts Legislation Amendment Act 2019.

33 Section 2 amended (Commencement)

- (1) Replace section 2(2) with:
- (1A) The following provisions come into force on the day after the date on which the COVID-19 Response (Taxation and Other Regulatory Urgent Measures) Act 2020 receives the Royal assent:
- (a) sections 6 and 7:

- (b) sections 16(2), 17(2), and 18(2):
 - (c) section 25 to the extent that it relates to sections 45A, 45C, 45E, 45I, 45J, and 45K of the Credit Contracts and Consumer Finance Act 2003:
 - (d) sections 34(1) and 37:
 - (e) section 40(1):
 - (f) section 49:
 - (g) section 55(1) to the extent that it relates to new paragraphs (na) and (nb) of Schedule 1 of the Credit Contracts and Consumer Finance Act 2003:
 - (h) section 55(3):
 - (i) section 69(4) to the extent that it relates to regulation 6A of the Credit Contracts and Consumer Finance Regulations 2004.
- (2) The following provisions come into force on 1 June 2020:
- (a) sections 3, 5(1), 8, 9(2), 10(2) and (6), 12, 13, 14, 15, 29, 44, 56, 57, and 58:
 - (b) sections 25, 55, and 69(4) to the extent that they have not previously been brought into force.
- (2) In section 2(4), replace “1 April 2021” with “1 April 2023”.

34 Schedule 2 amended

- (1) In Schedule 2, in the heading to clause 4, replace “1 April 2021” with “**commencement**”.
- (2) In Schedule 2, clause 4(1), replace “31 March 2021” with “the day before commencement”.
- (3) In Schedule 2, after clause 4(3), insert:
- (4) In this clause, **commencement** means the commencement of section 131B of the Credit Contracts and Consumer Finance Act 2003.

Consequential amendments to Schedule 1AA of Credit Contracts and Consumer Finance Act 2003

35 Consequential amendments to Schedule 1AA of Credit Contracts and Consumer Finance Act 2003

- (1) This section amends Schedule 1AA of the Credit Contracts and Consumer Finance Act 2003.
- (2) In clause 6, replace the definition of **commencement** with:
commencement, in relation to any provision of the 2019 Act, or any provision inserted into this Act by the 2019 Act, means the commencement of the relevant provision, as the case may be
- (3) In the heading to clause 9, delete “: 1 June 2020 commencement”.

- (4) In clause 10(1), example, replace “1 April 2021” with “commencement”.
- (5) In clause 10(8), example, replace “on 1 May 2021” with “on or after commencement”.
- (6) In the heading to clause 12, replace “**1 April 2021**” with “**commencement**”.
- (7) In clause 12(1) and (3)(b), replace “31 March 2021” with “the day before commencement of section 131B”.
- (8) In clause 12(2), replace “1 April 2021” with “commencement of section 131B”.
- (9) In clause 12(4), replace “1 February 2021” with “2 months before commencement of section 131B”.

Public Finance Act 1989 amended

36 Public Finance Act 1989

Section 37 amends the Public Finance Act 1989.

37 New section 41AA inserted (Minister may grant extension of time requirement to provide information on strategic intentions: COVID-19)

After section 41, insert:

41AA Minister may grant extension of time requirement to provide information on strategic intentions: COVID-19

- (1) If a department is due to provide information on strategic intentions for a period beginning on 1 July 2020, the responsible Minister may grant the department an extension, of up to 3 months, of the period specified in section 38(4)(a).
- (2) However, the responsible Minister must not grant an extension under subsection (1) unless the responsible Minister is satisfied that, as a consequence of the effects of COVID-19,—
 - (a) the department is unable to, or will experience significant difficulties if required to, provide the information on or before 1 July 2020; or
 - (b) the department is unable to adequately assess how its future operations will be affected and the extension will enable it to provide better information on strategic intentions than it would be able to if the extension were not granted.
- (3) If a department provides its information on strategic intentions after 1 July 2020 in reliance on an extension under this section, the information provided by the department must, despite section 38(2)(a), relate to the then current financial year and at least the following 3 financial years.
- (4) As soon as practicable after granting an extension, the responsible Minister must present to the House of Representatives notice of the extension and the responsible Minister’s reasons for granting it.

- (5) This section is repealed on 1 October 2020.

Crown Entities Act 2004 amended

38 Crown Entities Act 2004

Sections 39 and 40 amend the Crown Entities Act 2004.

39 New section 139C inserted (Responsible Minister may grant extension of time for requirement to provide statement of intent: COVID-19)

After section 139B, insert:

139C Responsible Minister may grant extension of time for requirement to provide statement of intent: COVID-19

- (1) If a Crown entity is due to provide a statement of intent for a period beginning on 1 July 2020, the responsible Minister may grant the Crown entity an extension, of up to 3 months, of the period specified in section 139(3).
- (2) However, the responsible Minister must not grant an extension unless the responsible Minister is satisfied that, as a consequence of the effects of COVID-19,—
 - (a) the Crown entity is unable to, or will experience significant difficulties if required to, provide the information on or before 1 July 2020; or
 - (b) the Crown entity is unable to adequately assess how its future operations will be affected and the extension will enable it to provide a better statement of intent than it would be able to if the extension were not granted.
- (3) If the responsible Minister grants an extension under this section,—
 - (a) the time for providing a draft statement of intent to the responsible Minister under section 146(2)(a)(i) is extended by the same period; and
 - (b) the entity must (despite section 146(2)(c)(i)) provide the final statement of intent to its responsible Minister as soon as practicable after receiving the responsible Minister's comments (if any) but before the end of the period of the extension; and
 - (c) the statement of intent must, if provided after 1 July 2020, relate to the then current financial year and at least the following 3 financial years (despite section 139(2)); and
 - (d) the responsible Minister must, as soon as practicable after granting the extension, notify the Crown entity of the extension and the Minister's reasons for granting it; and
 - (e) the Crown entity must, as soon as practicable after receiving notice under paragraph (d), publish notice of the extension, and the Minister's reasons for granting it, on an Internet site maintained by or on behalf of the Crown entity; and

- (f) the Crown entity must include, in the next annual report that it provides to its responsible Minister for presentation to the House of Representatives under section 150, a statement of the extension and the Minister's reasons for granting it.
- (4) This section is repealed on 1 October 2020.

40 New section 149CA inserted (Responsible Minister may grant extension of time for obligation to prepare statement of performance expectations: COVID-19)

After section 149C, insert:

149CA Responsible Minister may grant extension of time for obligation to prepare statement of performance expectations: COVID-19

- (1) A responsible Minister may grant an extension, of up to 3 months, for a Crown entity to prepare the Crown entity's statement of performance expectations that is due to be prepared for the financial year beginning on 1 July 2020.
- (2) However, the responsible Minister must not grant an extension unless the responsible Minister is satisfied that, as a consequence of the effects of COVID-19,—
 - (a) the Crown entity is unable to, or will experience significant difficulties if required to, prepare the statement of performance expectations before 1 July 2020; or
 - (b) the Crown entity is unable to adequately assess how its operations in the forthcoming financial year will be affected and the extension will enable it to provide a better statement of performance expectations than it would be able to if the extension were not granted.
- (3) If the responsible Minister grants an extension under this section,—
 - (a) the time for providing a draft statement of performance expectations to the responsible Minister under section 149I(2)(a)(i) is extended by the same period; and
 - (b) the entity must (despite section 149I(2)(c)(i)) provide the final statement of performance expectations to its responsible Minister as soon as practicable after receiving the responsible Minister's comments (if any) but before the end of the period of the extension; and
 - (c) the responsible Minister must, as soon as practicable after granting the extension, notify the Crown entity of the extension and the Minister's reasons for granting it; and
 - (d) the Crown entity must, as soon as practicable after receiving notice under paragraph (c), publish notice of the extension, and the Minister's reasons for granting it, on an Internet site maintained by or on behalf of the Crown entity; and

- (e) the Crown entity must include, in the next annual report that it provides to its responsible Minister for presentation to the House of Representatives under section 150, a statement of the extension and the Minister's reasons for granting it.
- (4) This section is repealed on 1 October 2020.

State-Owned Enterprises Act 1986 amended

41 State-Owned Enterprises Act 1986

Section 42 amends the State-Owned Enterprises Act 1986.

42 New section 14A inserted (Shareholding Ministers may grant extension of time for delivery of statement of corporate intent: COVID-19)

After section 14, insert:

14A Shareholding Ministers may grant extension of time for delivery of statement of corporate intent: COVID-19

- (1) The shareholding Ministers of a State enterprise may grant an extension, of up to 3 months, for the State enterprise to deliver the completed statement of corporate intent relating to the financial year beginning on 1 July 2020 (and each of the immediately following 2 financial years) to the shareholding Ministers.
- (2) However, the shareholding Ministers must not grant an extension unless they are satisfied that, as a consequence of the effects of COVID-19,—
 - (a) the State enterprise is unable to, or will experience significant difficulties if required to, deliver the completed statement of corporate intent before 1 July 2020; or
 - (b) the State enterprise is unable to adequately assess how its future operations will be affected and the extension will enable it to provide a better statement of corporate intent than it would be able to if the extension were not granted.
- (3) If the shareholding Ministers grant an extension under this section,—
 - (a) the time for providing a draft statement of corporate intent to the shareholding Ministers under section 14(1) is extended by the same period; and
 - (b) the board must (despite section 14(4)) consider comments on the draft statement of corporate intent that are made to it not later than 14 days before the new date by which the completed statement of corporate intent is to be delivered; and
 - (c) the statement of corporate intent must, if delivered after 1 July 2020, relate to the then current financial year and each of the immediately following 2 financial years (despite section 14(2)); and

- (d) the shareholding Ministers must, as soon as practicable after granting the extension, notify the State enterprise of the extension and the Ministers' reasons for granting it; and
 - (e) the State enterprise must, as soon as practicable after receiving notice under paragraph (d), publish notice of the extension, and the Ministers' reasons for granting it, on an Internet site maintained by or on behalf of the State enterprise; and
 - (f) the State enterprise must include, in the next annual report that it provides to its responsible Minister for presentation to the House of Representatives under section 17(2), a statement of the extension and the shareholding Ministers' reasons for granting it.
- (4) This section is repealed on 1 October 2020.

Legislative history

30 April 2020	Introduction (Bill 240–1), first reading, second reading, third reading
30 April 2020	Royal assent

This Act is administered by the Inland Revenue Department.