



Taxation (COVID-19 Resurgence Support Payments and Other Matters) Act 2021

Public Act 2021 No 1
Date of assent 18 February 2021
Commencement see section 2

Contents

	Page
1 Title	2
2 Commencement	2
Part 1	
Amendments to Tax Administration Act 1994	
3 Amendments to Tax Administration Act 1994	2
4 Section 3 amended (Interpretation)	2
5 New sections 7AAB and 7AAC inserted	2
7AAB Authorisation to make COVID-19 resurgence support payments	2
7AAC Orders in Council related to COVID-19 resurgence support payments scheme	4
6 Section 157 amended (Deduction of tax from payments due to defaulters)	5
7 Schedule 7 amended (Disclosure rules)	5
13B Publication of details related to COVID-19 resurgence support payments scheme	5
Part 2	
Amendments to Income Tax Act 2007	
8 Amendments to Income Tax Act 2007	5
9 Section MB 13 amended (Family scheme income from other payments)	5
10 Section ME 1 amended (Minimum family tax credit)	5
11 Section YA 1 amended (Definitions)	6

The Parliament of New Zealand enacts as follows:**1 Title**

This Act is the Taxation (COVID-19 Resurgence Support Payments and Other Matters) Act 2021.

2 Commencement

- (1) This Act comes into force on the date on which it receives the Royal assent, except as provided in this section.
- (2) Section 10 comes into force on 1 April 2021.

Part 1**Amendments to Tax Administration Act 1994****3 Amendments to Tax Administration Act 1994**

Sections 4 to 7 amend the Tax Administration Act 1994.

4 Section 3 amended (Interpretation)

- (1) This section amends section 3(1).
- (2) Insert, in appropriate alphabetical order:

COVID-19 resurgence support payments scheme means the COVID-19 Resurgence Support Payments Scheme established and administered by the Crown to provide support to businesses in the circumstances of a resurgence in New Zealand of COVID-19

- (3) In the definition of **disputable decision**, paragraph (b),—
 - (a) in subparagraph (vi), replace “section 7AA” with “section 7AA; or”:
 - (b) after subparagraph (vi), insert:
 - (vii) to make, or to decline to make, a grant under the COVID-19 resurgence support payments scheme under section 7AAB
- (4) In the definition of **tax**, after paragraph (cc), insert:
 - (cd) for the purposes of sections 6 to 6B, 156 to 165, 173L, 173M, 173S, 173T, 174AA, and 176 to 177CA, includes an amount payable in relation to a grant made under the COVID-19 resurgence support payments scheme:

5 New sections 7AAB and 7AAC inserted

After section 7AA, insert:

7AAB Authorisation to make COVID-19 resurgence support payments

- (1) The purpose of this section is to provide authorisation for payments to be made under the COVID-19 resurgence support payments scheme (the **CRSP**

- scheme**) if a resurgence in New Zealand of COVID-19 should arise. It is intended that the scheme will provide for grants to be made to support eligible persons in New Zealand when—
- (a) an escalation in COVID-19 alert levels occurs; and
 - (b) the person suffers a reduction in revenue as a result.
- (2) The Commissioner, on behalf of the Crown, may make a grant under the CRSP scheme (a **grant**) to a person when—
- (a) the CRSP scheme is declared active by an Order in Council made under section 7AAC on a resurgence in New Zealand of COVID-19; and
 - (b) for the period of activation of the CRSP scheme,—
 - (i) the person meets the eligibility requirements referred to in subsection (3)(b)(i) for a grant; and
 - (ii) the person, or another person on their behalf, applies to the Commissioner for the grant.
- (3) For the purposes of subsection (2) and an activation period, the Commissioner—
- (a) must set out the procedure required for a person to make an application for a grant:
 - (b) must determine—
 - (i) the eligibility requirements that a person must meet to qualify for a grant:
 - (ii) the terms and conditions that apply to a grant:
 - (c) must publish, on an internet site administered by the Commissioner, the eligibility requirements referred to in paragraph (b)(i).
- (4) If a person applies for a grant on behalf of another person, both the person and the person in whose name the application is made must provide information as required by the Commissioner.
- (5) The person in whose name an application is made is bound by the CRSP terms of the grant.
- (6) The total amount of a grant paid to the person, together with any amount payable under the CRSP terms, must be repaid to the Commissioner if the CRSP terms require repayment.
- (7) If a person who receives a grant from the Commissioner does not meet the eligibility requirements referred to in subsection (3)(b)(i), the person must immediately repay to the Commissioner the total amount of the grant together with any amount payable under the CRSP terms.
- (8) The persons referred to in subsection (4) must keep records referred to in section 22 to demonstrate that the eligibility requirements are met and the CRSP terms have not been breached.

- (9) For the purposes of this section and section 7AAC, the **CRSP terms** of a grant for an activation period mean—
- (a) the terms and conditions applying in relation to a person's eligibility for the grant at the time the grant is made, and any other terms and conditions determined by the Commissioner under subsection (3)(b)(ii):
 - (b) the terms set out in an application for the grant that is made by or on behalf of a person, including the contents of a declaration, consent, or other representation made by or on behalf of the person:
 - (c) the terms and conditions set out in an agreement between the Commissioner and the person receiving the grant.
- (10) This section applies whether or not the resurgence in New Zealand of COVID-19 arises before this section comes into force.

7AAC Orders in Council related to COVID-19 resurgence support payments scheme

- (1) For the purposes of section 7AAB, the Governor-General may by Order in Council—
- (a) declare the activation of the COVID-19 resurgence support payments scheme (the **CRSP scheme**) in the circumstances of a resurgence in New Zealand of COVID-19:
 - (b) specify the period for which, or the circumstances in which, the CRSP scheme is to operate:
 - (c) describe a class or classes of persons who may apply for support under the CRSP scheme and the amount of the grant to which they may be entitled:
 - (d) specify amendments to the CRSP scheme, the CRSP terms of a grant, or the matters referred to in section 7AAB(3)(a) and (b):
 - (e) extend, renew, or replace a time limit referred to in schedule 7, part A, clause 13B(2)(b).
- (2) For an order made under the power given in subsection (1)(e), the order—
- (a) expires if not renewed or replaced under paragraph (b), after—
 - (i) the period set out in the order, if applicable; or
 - (ii) if no period is set out, 6 months after the order comes into force:
 - (b) may be renewed or replaced by an Order in Council made on the recommendation of the Minister of Revenue before the date on which the order would otherwise expire.
- (3) An Order in Council made under subsection (1) or (2)(b) is a legislative instrument and a disallowable instrument for the purposes of the Legislation Act 2012, and must be presented to the House of Representatives under section 41 of that Act.

6 Section 157 amended (Deduction of tax from payments due to defaulters)

In section 157(10), in the definition of **income tax**, after paragraph (j), insert:

- (k) an amount payable in relation to a grant made under the COVID-19 resurgence support payments scheme

7 Schedule 7 amended (Disclosure rules)

In schedule 7, part A, after clause 13, insert:

13B Publication of details related to COVID-19 resurgence support payments scheme

- (1) Section 18 does not prevent the Commissioner publishing information related to the COVID-19 resurgence support payments scheme (the **CRSP scheme**), including the names of persons to whom the Commissioner has made a grant under the scheme and other details related to the grant.
- (2) Despite subclause (1), the Commissioner may publish the information only if—
 - (a) the Commissioner considers that—
 - (i) the information is readily available; and
 - (ii) it is reasonable and practicable to disclose the information; and
 - (iii) it is not undesirable to disclose the information; and
 - (iv) the disclosure of the information is reasonably necessary for the purposes of the administration of the CRSP scheme; and
 - (b) no more than 24 months have passed since the date on which this clause comes into force.
- (3) The time limit imposed by subclause (2)(b) may be extended by an Order in Council made under section 7AAC.

Part 2**Amendments to Income Tax Act 2007****8 Amendments to Income Tax Act 2007**

Sections 9 to 11 amend the Income Tax Act 2007.

9 Section MB 13 amended (Family scheme income from other payments)

After section MB 13(2)(jb), insert:

- (jc) a payment made under the COVID-19 resurgence support payments scheme, as defined in section 3(1) of the Tax Administration Act 1994:

10 Section ME 1 amended (Minimum family tax credit)

- (1) In section ME 1(3)(a), replace “\$29,432” with “\$30,576”.

- (2) Subsection (1) applies for the 2021–22 and later tax years.

11 Section YA 1 amended (Definitions)

In section YA 1, in the definition of **exempt interest**, after paragraph (db), insert:

- (dc) payable in relation to the repayment of a grant under the COVID-19 resurgence support payments scheme, as defined in section 3(1) of the Tax Administration Act 1994; or

Legislative history

16 February 2021

Introduction (Bill 8–1), first reading, second reading, committee of the whole House, third reading

18 February 2021

Royal assent

This Act is administered by the Inland Revenue Department.