

Important:

This article was published on Tuesday, 10 November 2015 - 2:11pm. The information is accurate at the time and is used for reference purposes only.

For up-to-date information please [visit the Land Information New Zealand website \(http://www.linz.govt.nz\)](http://www.linz.govt.nz).



[Landwrap November 2015 \(/news/2015-11/landwrap-november-2015\)](#)

Issue 123

It's hard to believe, but it's nearly the end of the year. We've got some helpful tips about how to correct property tax information; times you may *not* need to provide tax information as part of your dealing; and establishing proof of identity for an overseas client. There are also two

reminders about the silly season: caveat lapsing when there are statutory holidays involved, and the days we (and Landonline) will be taking a break.



Entering tax information – exemptions and non-notifiables

When determining what level of information you need to provide, it is important to understand the differences between exempt transfers and non-notifiable transfers.

[Read more about exemptions and non-notifiables \(//www.linz.govt.nz/news/2015-11/entering-tax-information-exemptions-and-non-notifiables\)](http://www.linz.govt.nz/news/2015-11/entering-tax-information-exemptions-and-non-notifiables)

Requests to correct tax information

'Correction of tax information' requests are only for errors such as typos or where a client has provided incorrect information.

[Find out when to send a correction of tax request and what to do if you have a query \(//www.linz.govt.nz/news/2015-11/correction-tax-information-requests\)](http://www.linz.govt.nz/news/2015-11/correction-tax-information-requests)

Proof of identity for overseas clients

Property lawyers and conveyancers acting for clients based in another city or overseas need to ensure that proper arrangements are in place for identity verification and witnessing when having A&I forms signed.

[Read more about verifying identity for overseas clients \(//www.linz.govt.nz/kb/79#overseas\)](http://www.linz.govt.nz/kb/79#overseas)

Caveat lapsing over the Christmas and New Year period

If you or your client receives a notice of lapse of caveat or notice of claim in the lead-up to the Christmas period this year, you'll need to act quickly to avoid the caveat or notice of claim lapsing.

[Find out more about caveat lapsing over the holiday period \(/www.linz.govt.nz/kb/648#christmas\)](http://www.linz.govt.nz/kb/648#christmas)

LINZ hours over the holiday season

The LINZ Offices, including Customer Support, will be closed from 5pm Thursday 24 December. Normal hours will resume on Tuesday 5 January 2016. Landonline will close at the normal time of 10pm Thursday 24 December and resume at 6am Tuesday 5 January 2016.

The final edition of Landwrap for the year will be out in early December.

Related Content

- [Landwrap \(/about-linz/publications/landwrap\)](/about-linz/publications/landwrap)
- [Subscribe to Landwrap \(/land/landonline/get-started/subscribe-landwrap\)](/land/landonline/get-started/subscribe-landwrap)
- [**Entering tax information - exemptions and non-notifiables \(/news/2015-11/entering-tax-information-exemptions-and-non-notifiables\)**](/news/2015-11/entering-tax-information-exemptions-and-non-notifiables)

You might be providing more tax information than you need to. While a recent law change requires tax information with transfers after 1 October 2015, there is less you need to provide for exempt or non-notifiable transfers.

Land Titles Landonline

- [**Correction of tax information requests \(/news/2015-11/correction-tax-information-requests\)**](/news/2015-11/correction-tax-information-requests)

Make sure that 'correction of tax information' requests are only for errors like typos or where a client has provided incorrect information at the time.

Land Titles Landonline

- [**Proof of identity for dealings \(/kb/79\)**](/kb/79)

Establishing the identity of your client is a key part of helping us maintain the integrity of the land titles system. Here's what you need to do, and help for the 'what ifs?' of identity verification.

Titles

- [**Lapsing a Caveat \(/kb/648\)**](/kb/648)

This page provides information and links to online resources for the lapsing of caveats (under section 145 and 145A Land Transfer Act 1952).

Titles

Articles referenced within this issue

[Entering tax information - exemptions and non-notifiables \(/news/2015-11/entering-tax-information-exemptions-and-non-notifiables\)](/news/2015-11/entering-tax-information-exemptions-and-non-notifiables)

You might be providing more tax information than you need to. While a recent law change requires tax information with transfers after 1 October 2015, there is less you need to provide for exempt or non-notifiable transfers.

Here is some information on the differences between exempt and non-notifiable transfers and what you need to provide in each case.

Exempt transfer

If your transfer is exempt from providing tax information, you do not need: 1) a tax statement, and: 2) to provide tax information in workspace. Only enter the exemption reason and not additional information such as Statement Date. The reasons for exemption in Landonline are:

- Maori Land - Reg 4(1)(a)
- Treaty Settlement - Reg 4(1)(b)

Non-notifiable transfer

If a transfer has a non-notifiable reason for not providing tax information, you still need to complete a tax statement. You will also need to complete the non-notifiable reason and tax questions in workspace.

However, you do not need to provide a NZ IRD number, Tax Residency and Tax Identification number in workspace. Refer to Land Transfer (Land Information and Offshore Persons Information) Exemption Regulations 2015 for a full list of non-notifiable reasons.

Related Content

- [Property tax exemptions and non-notifiable reasons \(/kb/721\)](/kb/721)
- [Property tax compliance requirements \(/land/land-registration/prepare-and-submit-your-dealing/property-tax-compliance-requirements\)](/land/land-registration/prepare-and-submit-your-dealing/property-tax-compliance-requirements)

Related External Content

- [Land Transfer \(Land Information and Offshore Persons Information\) Exemption Regulations 2015 \(http://www.legislation.govt.nz/regulation/public/2015/0222/latest/whole.html\)](http://www.legislation.govt.nz/regulation/public/2015/0222/latest/whole.html)

Last Updated:

5 December 2016

[Correction of tax information requests \(/news/2015-11/correction-tax-information-requests\)](/news/2015-11/correction-tax-information-requests)

Make sure that 'correction of tax information' requests are only for errors like typos or where a client has provided incorrect information at the time.

These requests do not apply to cases where your client's information is incorrect because their circumstances have changed since the time of lodgement.

This is also the wrong request type for tax queries. If you have a tax query that cannot be answered from the material on our new property tax compliance requirements webpage, please create a 'Titles information' request.

Related Content

- [Property tax compliance requirements \(/land/land-registration/prepare-and-submit-your-dealing/property-tax-compliance-requirements\)](/land/land-registration/prepare-and-submit-your-dealing/property-tax-compliance-requirements)
- [Correcting property tax information \(/kb/722\)](/kb/722)
- [Landonline requests for dealings \(/land/land-registration/user-guides-and-resources/landonline-requests-for-dealings\)](/land/land-registration/user-guides-and-resources/landonline-requests-for-dealings)

[Proof of identity for dealings \(/kb/79\)](/kb/79)

Establishing the identity of your client is a key part of helping us maintain the integrity of the land titles system. Here's what you need to do, and help for the 'what ifs?' of identity verification.

The Standard for Verification of Identity for Registration under the Land Transfer Act 1952 outlines the statutory requirements for proof of identity. Read the Standard ([link to LINZS20002](#)).

Basic requirements for ID

To establish the identity of your client, you'll need to obtain:

- An original, current photo ID – such as a passport or a New Zealand government-issued driver's licence or firearms licence
- For transfers and mortgages of unencumbered land, a document provided by your client showing the landowner's name and the physical address of the property – such as a rates bill, bank statement or power bill.

You must retain a copy of the photo ID and record that it is a true copy of the original you have seen. On the A&I form, section 5 includes the statements "(b) I have sighted the original form(s) of identity ticked above" and "(c) I have attached a copy of ID(s) used".

[Refer to G5 of the Standard for Verification of Identity LINZS20002 \(/www.linz.govt.nz/regulatory/20002\)](#)

[Find out who can witness an A&I \(/www.linz.govt.nz/land/land-registration/prepare-and-submit-your-dealing/authority-instruction-ai#witness\)](#)

High-risk transactions

A high-risk transaction is one where the existing landowner, as transferor or mortgagor, is not previously known to the certifying practitioner, and:

- Is transferring or mortgaging unencumbered land, or
- Provides contact details which are not connected to the physical address of the property, or
- Provides unfamiliar or foreign documents to verify identity.

[Refer to chapter 5.1 and 5.2 and page G8 of the Standard for Verification of Identity LINZS20002 \(<http://www.linz.govt.nz/regulatory/20002>\)](#)

[Read more about establishing identity for high-risk transactions \(<http://www.linz.govt.nz/kb/102>\)](#)

Using videoconferencing facilities

While witnessing in person is generally the preferred approach, LINZ and the Property Law Section consider the use of videoconferencing or Skype to be an acceptable practice where the lawyer or conveyancer who will be certifying and signing the transaction in Landonline:

- 1. has known their client for more than 12 months;**
- 2. has a copy of their client's current photo ID on file (the original having previously been sighted); and**
- 3. is able to clearly see their client and confirm what documentation is being signed**

When adopting this approach the witness certification in the A&I form should be modified (or a further certification added) to indicate that video conferencing was used and confirm that each of the above conditions are met.

Witnessing an A&I form involves not only verification of client identity but also of their legal capacity and bona fides. The videoconference witnessing session **must** be abandoned if the lawyer or conveyancer:

- has any doubts whatsoever as to the identity or capacity of the client;
- has any concerns that the client may be acting under duress or at the direction of another person; or
- is unable to clearly see and confirm what documentation is being signed in the course of the videoconference session.

Other important considerations to be mindful of when deciding whether to witness the signing of an A&I by videoconference include:

- whether videoconferencing is appropriate when you are dealing with (for example) a very elderly client or one that has limited technical knowledge, or if you have not had any direct contact with your client in recent years;
- whether the ID you hold on file is still current (e.g. an expired passport will not meet the conditions for videoconference witnessing);
- whether you and your client both have adequate videoconferencing facilities to ensure adequate image clarity/audibility throughout the videoconference connection (the session should be abandoned if any technical issues are encountered during the videoconference);

NOTE:

1. *This practice note should be read in conjunction with the [LINZ Identity Verification Standard \(LINZS20002\)](http://www.linz.govt.nz/regulatory/20002) ([//www.linz.govt.nz/regulatory/20002](http://www.linz.govt.nz/regulatory/20002)) and the [NZLS Property Transactions and E-Dealing Practice Guidelines](https://www.lawsociety.org.nz/law-society-services/law-society-sections/property-law-section/e-dealing-consultant/property-transactions-and-e-dealing-practice-guidelines-july-2012) (<https://www.lawsociety.org.nz/law-society-services/law-society-sections/property-law-section/e-dealing-consultant/property-transactions-and-e-dealing-practice-guidelines-july-2012>).*
2. *This limited endorsement for witnessing by videoconference and relates ONLY to the witnessing of A&I forms.*

What if?

My client has no photo ID

If your client is new to the firm and has no photo identification, you should formally verify his or her identity using a reliable witness or gaining assurance in a reasonable way. You must also document the steps taken to verify identity.

If using a witness, they should be an independent person (i.e. not a relative, partner or spouse), aged 18 or over, whose identity you can verify with a reliable form of photo ID (preferably a passport) and who has known your client for at least a year. The supporting evidence should take the form of a statutory declaration with a recent photograph of your client attached and witnessed.

In some cases, you can establish identity in a way that is practical and provides the right level of assurance. For example, if you have an elderly client who is a long-term rest home resident – you can confirm his or her identity with a manager or senior member of staff. This could be documented in a written letter or correspondence after a face to face meeting.

You can download a Declaration of Identity template at the end of this page.

My client's photo ID has expired

An expired or non-current photo ID does not provide sufficient confirmation of the client's identity. If your client doesn't have a current form of photo ID, you will need to verify identity as outlined in paragraph 4.2 of the Standard.

[Read the Standard for verification of identity \(//www.linz.govt.nz/regulatory/20002\)](http://www.linz.govt.nz/regulatory/20002)

My client is bankrupt

[Read about A&Is for bankrupt clients \(//www.linz.govt.nz/kb/324\)](http://www.linz.govt.nz/kb/324)

My client is overseas

If your client is traveling or residing overseas, or living in another part of New Zealand, you do not personally need to witness the A&I being signed. You need to be comfortable that the person verifying identity has followed the correct steps and can reasonably be relied upon.

If you have an overseas client it is reasonable for you to rely on a notary public, or someone else specified in regulation 16(4) of the Land Transfer Regulations 2002, to witness and verify their identity.

My client's name on their photo ID doesn't match the name on their title

If the name on a photo ID does not match the name recorded on the computer register (title), then you will need to take steps to verify that the client and the person named on the register are the same person.

If the names are inconsistent for a legitimate reason – for example married and maiden names, minor misspellings, or a partial rather than full name – it may not be necessary to change or correct the client's name on the computer register. You should retain additional documentation, ideally in the form of a statutory declaration from the client, with supporting evidence such as a marriage certificate.

If the client's name on the computer register is wrong and needs to be corrected, you will need to correct the name on the register, following the process in the Registrar-General of Land's Guideline for making applications to change or correct names in the RGL's records (LINZG20704).

In any of these circumstances, if the client is not already well known to the firm or certifying practitioner, or the transaction qualifies as 'high risk' in terms of the Standard, then further independent inquiries should be undertaken to confirm the client's identity as landowner.

[Read the guideline for changing or correcting names \(//www.linz.govt.nz/regulatory/20704\)](http://www.linz.govt.nz/regulatory/20704)

[Read the Standard for verification of identity \(see paragraph 5 and page G8\) \(//www.linz.govt.nz/regulatory/20002\)](http://www.linz.govt.nz/regulatory/20002)

My client's identity is being confirmed by someone else (delegate witness)

You do not have to personally witness the A&I being signed, but you do need to be sure that the person you delegate this to has followed the correct steps to establish proof of identity. A suitable choice may be another lawyer, a legal executive, an accountant or a Justice of the Peace.

If someone other than the certifying practitioner is verifying the client's identity, records or file notes should be kept to show that the person was independent and trusted. If the person is another practitioner at your firm, then this will be clear from the job title or occupation listed for them on the A&I. You will be required to provide this information for a compliance review.

[Read more about compliance reviews \(//www.linz.govt.nz/land/land-registration/prepare-and-submit-your-dealing/compliance-review-and-evidentiary-requirements\)](http://www.linz.govt.nz/land/land-registration/prepare-and-submit-your-dealing/compliance-review-and-evidentiary-requirements)

I already know my client

If you know your client personally and can vouch for their identity, you still need to view and retain a suitable current photo ID, but you do not need the additional verification document showing their name and physical address. This applies even to transactions that are usually considered high-risk, such as transfers and mortgages.

Note: You could be considered to know a longstanding client, but you wouldn't be able to reasonably claim to know a client who was referred from another professional, friend or relative.

File Attachments

- [Standard for verification of identity for registration under the Land Transfer Act 1952 - LINZS20002 \(https://www.linz.govt.nz/system/files_force/media/regulatory-documents/linzs20002_-](https://www.linz.govt.nz/system/files_force/media/regulatory-documents/linzs20002_-)

Related Content

- [Standard for verification of identity for registration under the Land Transfer Act 1952 - LINZS20002 \(/regulatory/20002\)](#)
- [Guideline for making applications to change or correct names in the Registrar-General of Land's records - LINZG20704 \(/regulatory/20704\)](#)

Last Updated:
29 May 2017

[Lapsing a Caveat \(/kb/648\)](#)

This page provides information and links to online resources for the lapsing of caveats (under section 145 and 145A Land Transfer Act 1952).

A caveat may be lapsed under section 145 and 145A Land Transfer Act 1952. Under s 145, a caveat may be lapsed when an application is made to register an instrument. Under s 145A, a caveat may be lapsed by an application to lapse the caveat (ie there is no requirement that an instrument is to be registered).

Once the statutory process has begun under ss 145 or 145A LTA, the caveat will lapse by operation of law unless the caveator takes action to sustain the caveat within the prescribed timeframes.

LINZ resources

The key LINZ resource for lapsing caveats is the Registrar-General of Land's guideline for stop notices LINZG20706. You can obtain a copy [here \(//www.linz.govt.nz/regulatory/20706\)](http://www.linz.govt.nz/regulatory/20706).

Making an application to lapse a caveat

There is no prescribed form for an application under s 145 LTA. Accordingly a letter lodged under the instrument code S145 will do. The instrument to be registered must follow the S145 (in the same dealing).

An e-dealing application to lapse a caveat under s 145A LTA, could be made on Form N, available [here \(//www.linz.govt.nz/land/land-registration/user-guides-and-resources/land-registration-forms\)](http://www.linz.govt.nz/land/land-registration/user-guides-and-resources/land-registration-forms).

The instrument code is A145.

Notice periods (prescribed timeframes)

The first and second prescribed periods were prescribed by Regulation 29 of the Land Transfer Regulations 2002.

First prescribed period

Upon receipt of an application to lapse a caveat, LINZ will notify the caveator. The caveator has 14 calendar days (plus deemed postal delivery period of two working days) to give notice to the Registrar-General of Land (RGL) that the caveator has made an application to the High Court to sustain the caveat. There is no requirement for the caveator to give the RGL a copy of the application made, all that is needed is a notice that an application has been made. The application must be received by the RGL within the prescribed period, else the caveat lapses by operation of law.

Second prescribed period

From the date that the caveator gave notice to the RGL (of the caveator's application to sustain the caveat) the caveator has a further 28 calendar days to obtain a High Court order that sustains the caveat.

See the RGL's [Guideline for stop notices LINZG20706 \(//www.linz.govt.nz/regulatory/20706\)](http://www.linz.govt.nz/regulatory/20706) for more detail about the prescribed periods.

Caveat lapsing over the Christmas and New Year period

If you or your client receives a notice of lapse of caveat or notice of claim in the lead-up to Christmas and New Year holiday break, you will need to act quickly to avoid the caveat or notice of claim lapsing.

The time periods above are days – not working days – so you cannot exclude the public holidays over the Christmas and New Year period when you calculate when a caveat or notice of claim will lapse.

However, as provided in section 35(6) of the Interpretation Act 1999, if the last day of either the 14-day or 28-day period falls on a day that is not a working day, the time period extends to the next working day.

Please note the Registrar-General of Land has no authority to alter the prescribed time periods or extend lapsing dates to account for LINZ offices or courts being closed on public holidays.

If you or your client receives a notice of lapse, you can avoid the caveat or notice of claim lapsing by giving the relevant notice to us or serving a Court order on LINZ within the prescribed time periods. You can send this by email to Customer Support (customersupport@linz.govt.nz (<mailto:customersupport@linz.govt.nz>)) or post to the address or fax number specified in the notice of lapse.

Withdrawing an application to lapse a caveat

It is not possible to withdraw an application to lapse a caveat, after the RGL has served a notice on the caveator.

This is because the caveat is lapsed by operation of law (ie by service of a notice on the caveator and expiry of the notice period without the appropriate notice from the caveator). Withdrawing an application to lapse a caveat can have no effect after the RGL has served a notice because the RGL's notice cannot be withdrawn.

Related Content

- [Guideline for stop notices - LINZG20706 \(/regulatory/20706\)](http://www.linz.govt.nz/regulatory/20706)
- [Caveats \(/kb/650\)](http://www.linz.govt.nz/kb/650)

- [Withdrawing a caveat in Landonline \(/kb/545\)](#)

Last Updated:

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