Toitū Te Whenua
Land Information
New Zealand

Guide to completing a
Land Transfer Tax Statement

Te Kāwanatanga o Aotearoa
New Zealand Government

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Introduction

When should a 'Land Transfer Tax Statement' be completed?

A Land Transfer Tax Statement should be completed for every transferor (seller) and transferee (buyer) involved in the transfer of a property (where the property is a freehold or leasehold estate, life estate, stratum estate, licence to occupy or any other specified estate in land as defined in section 77(1) of the Land Transfer Act 2017).

A Land Transfer Tax Statement is not required if the transfer relates to Māori Land as defined by Te Ture Whenua Māori Act 1993, or if the transfer is a transfer of property by the Crown under a Treaty Settlement Act that expressly authorises the Crown to transfer the fee simple and to sign a transfer instrument.

If completing a statement as a trustee or nominee, see the attached Appendix.

The information required for this statement is prescribed by section 79 of the Land Transfer Act 2017 (subject to the transitional provisions in Part 3 of Schedule 1 of the Land Transfer Act 2017).

All answers must be correct at the date of the statement.

A Property

The main home exclusion rules in the Income Tax Act 2007 were amended on 30 March 2021 for properties acquired on or after 27 March 2021. For more, go to https://www.ird.govt.nz/property

Inland Revenue uses the answers to question 4 to differentiate the transfer of a 'main home' from other property transfers.

1. **Record of title reference:** This can be found in the sale and purchase agreement or the lawyer/conveyancer will be able to provide this information.
2. **Instrument number:** The number allocated by LINZ for lodgement of the transfer. If available, this should always be entered in its entirety (e.g. 123456.7).
3. **Home:** A dwelling mainly used as a residence, e.g. a house, apartment, unit, whether it is tenanted, occupied or not.
4. **Main home transfer:** Only property held by individuals or in a trust can be the subject of a 'main home transfer' for the purposes of the Land Transfer Tax Statement. If neither of these apply, the 'No' option should be selected.

Transferors (sellers) should indicate the transfer is a 'main home transfer' if either of the following apply:

- You (the transferor) have resided in the home for more than 50% of the period during which you have owned the land; or
- You (the transferor) are a trustee, and a beneficiary of the trust has resided in the home for more than 50% of the period that the trust has owned the land.

Transferees (buyers) should indicate the transfer is a 'main home transfer' if either of the following apply:

- You (the transferee) intend to reside in the home; or
- You (the transferee) are a trustee, and a beneficiary of the trust intends to reside in the home.

B Name

If there is more than one transferor (seller) or transferee (buyer), each person must complete their own tax statement. This also applies to people acting as a trustee of a trust, as a partner in a partnership, or as an executor or administrator of a deceased estate.

5 **Name of person or entity:** For an individual, enter their full name with the first name(s) followed by the last name (family or surname) exactly as it currently appears or will appear on the title. For an entity (non individual or corporate), enter the registered name exactly as it currently appears or will appear on the title. For mortgagee, rating, and court ordered sales, enter the name of the mortgagee/bank, local authority or court ordered seller as the transferor.

If a person is acting on behalf of another person or entity or in a different capacity:

- **as a trustee of a trust;** enter the name of the trustee exactly as it currently appears or will appear on the title. A separate tax statement is required for each trustee.
- **as a nominee;** enter the name of the nominee exactly as it currently appears or will appear on the title in section B, and the name of the nominator in section C. A separate tax statement is required for each individual nominator.
- **under a power of attorney;** enter the name of the person who granted the power of attorney exactly as it currently appears or will appear on the title. A separate tax statement is required for each individual donor of a power of attorney.
- **as a partner in a partnership;** enter the name of the partnership if it is a registered entity (i.e. limited partnership), otherwise it should be the name of the individual. A separate tax statement is required for each individual partner.
- **as an executor or administrator of a deceased estate;** enter the name of the executor or administrator as it currently appears or will appear on the title. A separate tax statement is required for each individual executor or administrator.
- **on behalf of a body corporate under the Unit Titles Act 2010;** enter "Body Corporate" and the number (e.g. Body Corporate 12345).

6 **Transferor:** The person or entity who is selling or disposing of a property.
Transferee: The person or entity who is buying or acquiring a property.

7 Select **person** if you are representing yourself, yourself as a trustee, yourself as a partner in a partnership, yourself as an executor or administrator of a deceased estate, or another person as their attorney.

Select **entity** if you are representing a company, a company as a trustee, a corporate entity (body corporate, incorporated society, etc), a public or local government authority, an entity as its attorney, or other non-individual.

Select **nominator** if you are a nominee acting for a nominator. This only applies if you will be holding the property on behalf of another person. This does not apply where, for example, a person nominates their family trust to complete the purchase of a property. For the definition of nominee, see section YB21 of the Income Tax Act 2007.

C Nominator

8 **If acting as a nominee,** enter the name of the nominator in the space provided.

If acting for multiple nominators, enter one name and answer all subsequent questions for that nominator. A separate tax statement should be completed for each remaining nominator.

More information is available from section YB21 of the Income Tax Act 2007 and in the attached Appendix.

D Citizenship

11 **Entities** are not required to complete this section of a Land Transfer Tax Statement.

Individuals should complete all relevant questions in this section of a Land Transfer Tax Statement by selecting the option(s) that apply to them and their immediate family.

If acting as a nominee, answer all relevant questions by selecting the option(s) that apply to the nominator and their immediate family.

E Tax details

If you do not already have a New Zealand IRD number, you will need to get one before your transfer can be registered. For more information on how to do this, go to www.ird.govt.nz

If acting as a trustee or nominee, refer to the Appendix at the end of this document.

14 To claim a transfer is a non-notifiable transfer, select the option from the list provided that best describes why the transfer should be treated as a non-notifiable transfer (transferors/sellers can choose any one of the four options below – only options C and D may be claimed by a transferee/buyer).

The provision of certain details in a tax statement is not required for a transfer when:

B disposing of land as part of a mortgagee sale, rating sale under the Local Government (Rating) Act 2002, a court ordered sale or statute ordered sale

C acting as a transferor or transferee on behalf of a public authority as defined in the Land Transfer (Land Information and Offshore Persons Information) Exemption Regulations 2015 (e.g. His Majesty the King)

D acting as a transferor or transferee on behalf of a local authority as defined in the Income Tax Act 2007

E acting as an executor or administrator for an estate and the transferee is beneficially entitled to receive the property under the will or the rules governing intestacy.

15 When entering a New Zealand IRD number:

- **for a trust,** use the trust's IRD number, not the trustees' IRD number
- **for a partnership,** use the partnership's IRD number, not the partners' IRD number
- **for an estate,** use the estate's IRD number, not the executors' or administrators' IRD number
- **if acting as a nominee,** use the nominator's IRD number, not your own
- **if acting under a power of attorney,** use the IRD number of the person who granted the power of attorney
- **if acting on behalf of a body corporate,** use the Body Corporate's IRD number
- **if acting on behalf of an unincorporated body,** use the unincorporated body's IRD number.

E Tax details (continued)

16 Tax resident in another country or jurisdiction?

A person or entity is generally considered to be a tax resident of a country or jurisdiction if they are required to file an income tax return in that country or jurisdiction for their world-wide income (rather than just for income that has a source in that country or jurisdiction).

Answer 'Yes' if you are a tax resident in another country or jurisdiction (under the tax laws of that country or jurisdiction), even if under a double tax agreement, you would not be treated as a tax resident in that country or jurisdiction.

If you are unsure whether you are a current tax resident of a country or jurisdiction, you should contact the tax authority of that country or jurisdiction to confirm your status.

17 Details of the other country or jurisdiction: If you are a tax resident in another country or jurisdiction (excluding New Zealand), the details of those other countries or jurisdictions should be included in this tax statement. Those details should include:

- **Name of the country or jurisdiction** where you are a current tax resident.
- **Code of the country or jurisdiction** where you are a current tax resident (country/jurisdiction codes consist of two uppercase letters; go to www.ird.govt.nz and search for "country code" to find the code for your country or jurisdiction).
- **Taxpayer identification number** used by the other country or jurisdiction to identify you as a current tax resident.

F Declaration

A person commits an offence under section 81(1) of the Land Transfer Act 2017, if they give a tax statement to a certifier or to Land Information New Zealand that, to the person's knowledge or with intent to deceive, contains false or misleading information.

Section 81(2) of the Land Transfer Act 2017 specifies the penalties for giving false or misleading information.

Each transferor (seller) and transferee (buyer) involved in the property transfer, should sign their own Land Transfer Tax Statement.

If signing as an authorised person, include the name of the person signing and the title of the position held, e.g. power of attorney, company director, executive office holder.

Appendix

Acting as a trustee

If acting as a trustee of a trust, a trustee should complete a Land Transfer Tax Statement for themselves in their capacity as a trustee. Each trustee of that trust should complete a separate tax statement. Submitting one tax statement for the trust is not permitted.

A **Property:** If a home is situated on the land being transferred, indicate whether or not the transfer is a 'main home transfer'.

B **Name:** A trustee should enter their full name, NOT the name of the trust. The Land Transfer Act prohibits any reference to trusts on the land transfer register.

D **Citizenship:** Trustees should complete these questions with reference to their own personal or their immediate family's citizenship and visa details.

E **Tax details:** Enter the IRD number of the trust, NOT the trustee's personal IRD number. Trusts are allocated IRD numbers independently of the trustees in their personal capacity. When a trust transfers property, it is the trust's IRD number that is used. As some trusts have no taxable income and therefore may not have an IRD number, these trusts will need to obtain an IRD number to complete a purchase, sale or transfer of property. This tax information will not form part of the land transfer register. Non-disclosure of trusts on the register is a separate issue governed by other provisions of the Land Transfer Act, which have not changed under the tax statement regime.

Acting as a nominee

When completing the tax statement, be aware that the terminology used in relation to nominee differs from that normally used in conveyancing.

For a Land Transfer Tax Statement: 'Nominee' is defined in section YB21 of the Income Tax Act 2007 as the person who does something, or holds something, on behalf of someone else (the nominator). This definition does not apply where the purchaser in an Agreement for Sale and Purchase nominates another person or entity (e.g. a family trust or a company) to complete the purchase with the intention for that person or entity to own the property themselves.

B **Name:** Enter the full name of the nominee (if either a transferor or transferee).

C **Nominator:** Enter the full name of one of the nominators and answer all following questions on behalf of that nominator. A new tax statement should be completed for each remaining nominator (if either a transferor or transferee).

If there are multiple nominators for one nominee, the lawyer or conveyancer will record the details of one of the nominators against the transfer, because the land transfer system only has provision for recording one nominator for each transferor or transferee. They are however, required to retain a copy of every tax statement they receive, so information on the other nominators will still be accessible on request from Land Information New Zealand or Inland Revenue.