



MEDIA RELEASE

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RETAIL NZ WELCOMES GOVERNMENT COMMITMENT ON GST

Retail NZ has welcomed comments by Revenue Minister the Hon. Stuart Nash that the Government will "absolutely" move to make foreign websites register for GST.

"For many years, New Zealand retailers have been disadvantaged by the fact that they have to pay tax in New Zealand while foreign websites don't, even though they compete in the New Zealand market. This is the first time that a Revenue Minister has committed to fixing this issue, and we want to congratulate Mr Nash on his leadership," Greg Harford, Retail NZ', General Manager for Public Affairs said today.

"While the timeline has yet to be finalised, we are really pleased that Minister Nash is taking the issue seriously, and we urge him to implement a GST registration requirement from 1 July 2018, in line with the Australian Government.

"GST is a key component of Government revenue streams, and a GST registration requirement will net the Government around \$5.8 billion over the next 10 years. Closing the current tax loophole will also mean that New Zealand businesses are no longer disadvantaged by Government tax policy.

"The issue is becoming more pressing as online shopping grows in popularity, and as Amazon is about to move into Australia. It's just not right that Kiwi businesses that employ New Zealanders and keep our communities vibrant are taxed, while massive foreign corporations don't pay their share of tax for doing business here."

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