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# Introduction

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Welcome to the GST Update seminar for 2010. It has been eight years since TEO last presented a GST update. This seminar is based on a review of a number of changes and developments that have occurred over this period.

GST is a relatively straight forward tax. The legislation has only 86 sections compared to income tax legislation with three acts and hundreds of sections. Even so, there are always areas of difficulty, ongoing change and development of both legislation and interpretation. There is a large choice of information and I am limited by time constraints as to what I am able to cover. In undertaking my research and preparation for the course I have endeavoured to cover those topics that would have widest appeal. Not all the tax changes that occurred during the last 8 years are covered and I have not covered any proposed changes for the future.

I have categorised the material into five broad topics for you. The first is a review of changes and developments in dealing with property transactions. We look at the difficult issues related to properties purchased for sale and made available for residential rental before they are sold. Also covered are residential properties rented out commercially, whether a sale and purchase agreement for property is an invoice and several other issues.

Secondly, we review the GST implications of a number of payments that have been subject to consideration through a law change, case or IRD statement including, receipts from online trading, the treatment of prizes, debt factoring arrangements and fees related to resource consents. Thirdly, I overview the issues arising on the zero rating of the sale of property as a going concern and developments in zero rating of financial services and services for non residents.

Fourthly, we consider six issues related to GST compliance and administration. Finally, we look at the end of a taxable activity by reviewing developments related to deregistration and mortgagee sales.

I trust that the material in both this paper and the presentation will be of use to you in running your business or assisting you in advising your clients.

Mike Hadwin  
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