Inland Revenue
Te Tari Taake

Inland Revenue
PO Box 39010
Wellington Mail Centre
Lower Hutt 5045
New Zealand

DILWORTH TRUST BOARD
PRIVATE BAG 28904
REMUERA AUCKLAND 1541

IRD Number	010-051-851
Reference	L0002659368
Issued	13 June 2023

Dear Sir/Madam

Indicative view: DILWORTH TRUST BOARD

We refer to your email dated 19 May 2023 requesting an indicative view on the lump sum payments paid by Dilworth to the Old Boys who have been victims of abuse while attending Dilworth School.

We agreed to provide an indication of our initial view to assist your client in considering this proposed transaction/course of action. Our response to such requests is indicative only and reflects a limited time considering the information provided in your email of 19 May 2023. Consequently, it is no more than an initial and indicative view and is not binding on the Commissioner. Should a review be undertaken with all relevant information and full analysis, we may come to another view.

Inland Revenue's initial and indicative view regarding the above request is the Old Boys are not liable to pay Income tax on the Redress payments they receive from Dilworth. The Redress payments are also not a taxable supply under the GST Act 1985 where the Old Boy is GST registered. They are not required to include the lump sum payments as income in their GST returns. .

If your client requires certainty on this matter, this can be obtained by making an application for a binding ruling under section 91A of the Tax Administration Act 1994. Please refer to the IR website for information on what your client will be required to do to obtain a binding ruling.

If you have any queries regarding the contents of this letter, please contact Lau Hongchin on 04 890 3007 or via email Lau.Hongchin@ird.govt.nz.

Yours sincerely

Lau Hongchin

Customer Compliance Specialist