



Jude Clark

PROPERTY UPDATE

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CALL TODAY FOR A CURRENT MARKET UPDATE

Property owners to get relief from "loopy rules"

In their recently released report the co-chairs of the Rules Reduction Taskforce (Jacqui Dean MP and Michael Barnett ONZM) had some interesting comments that would resonate with many NZ property owners. Here is an extract from that report:

"New Zealanders are fed up wasting time and money trying to work with loopy rules. We were tasked with identifying rules and regulations which are not fit-for-purpose and which impose unnecessary bureaucratic burdens on property owners and businesses.

Everyone we heard from has had tales to tell of loopy rules - requirements that are out of date, inconsistent, petty, inefficient, pointless or onerous. These are the things that really annoy people, whether they run a business or own their own home. In the last few months we have travelled around New Zealand listening to people in their communities. We have also met with councils, sector interest groups, and government agencies.



We did hear of rules that protect people, the environment, infrastructure and our heritage but which still enable individuals, businesses and our economy to prosper and grow. But we are struck by the number of instances where the good intentions of the rule-makers are somehow lost in the translation to the real world.

THE TASKFORCE'S TOP 10 FIXES

Fixing individual rules that don't make sense is the main priority, and we have identified many opportunities for central and local government to consider. Most of our report looks at these. But collectively our future objective must be to stop the creation of more loopy rules.

Regulators don't set out to make silly rules. Making laws and regulations takes place within a wider system with its own culture and practices.

- Make it easier to get building consents
• Get serious about lifting the skills of building sector
• Make it easier to get resource consents
• Reduce the cost of consenting fees
• Sort out what "work safety" means and how to do it
• Make it clear what the rules are
• Establish a new customer focus the public sector
• Departments should introduce a stakeholder engagement approach to developing local government policies and regulations
• Reform the Local Government Act 1974 and the Reserves Act 1977
• Stop making loopy rules

Full report: http://www.dia.govt.nz/vwluResources/Rules-Reduction-Report/\$file/Rules-Reduction-Report.pdf

Information now required for IRD when buying or selling property

There has been a recent law change which will enable Inland Revenue to gather information for residential properties. It will require both buyers and sellers to provide their IRD number and other details when transferring property.

This legislation came into force on 1 October 2015; the changes include: Buyers and sellers of residential property are now required to:

- provide their IRD numbers at the time of property transfer
• provide their Tax Identification Number from their home jurisdiction if they have tax residence in another country
• where they are an offshore person, to provide evidence of a New Zealand bank account in order to obtain an IRD number.
• The only exemption is for buyers and sellers, is where the property is their "main home", but only if it is owned in personal names

All Trusts will need their own IRD numbers. A Trust will not be able to use the personal IRD numbers of individual trustees. There are many thousands of family Trusts that will not currently have an IRD number.

This means that trustees of family trusts will need to ensure that if they enter into an Agreement to buy or sell a property after 1 October 2015, that the Trust obtains an IRD number without delay (if they do not have one already) as without it they will not be able to complete a property transaction.

All buyers and sellers will need to sign a Tax Statement for every transaction. There is no exemption for this. The Tax Statement is required to contain various information. Buyers and sellers need to be aware that there is a penalty for providing false or misleading tax information and this will be \$25,000 for a first offence or \$50,000 for a repeat offence. If you are buying or selling, you need to have this information to hand to ensure that your sale or purchase goes smoothly

Lindsay Mills Senior Registered Legal Executive www.raineycollins.co.nz

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Email your details to leaders@homenet.co.nz with Logan Brown as the subject and state who provided your entry or Mail your entry to: "Leaders High Tea Competition" P.O. Box 24262, Manners Street, Wellington 6011 The winner of last month's draw Deluxe High tea for 4 was:

N Duncan of Titahi Bay

Name:

Address:

Phone:

My entry was provided to me by:



WELLINGTON REGIONAL COMPARISON

Table with 12 columns: SALES AREA, SALES (AUG 14, AUG 15), MEDIAN DAYS TO SELL (AUG 14, AUG 15), MEDIAN SALE PRICE (AUG 14, AUG 15) 000s. Rows include Wairarapa, Wellington Central, Wellington West, Wellington East, Wellington South, Wellington North, Pukerua Bay/Tawa, Lower Hutt, Upper Hutt, Otaki/Paekakariki, Levin.



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