

# Public Rulings Unit Work Programme 2016-17



## Monthly update - position as at 30 June 2017

Public items are summarised below based on their current status. Items we have completed are at the bottom of the list. Further information is provided in a more detailed table below. Please click on the item number to see the further details. If you have any queries or feedback about the Public Rulings Work Programme, please email [public.consultation@ird.govt.nz](mailto:public.consultation@ird.govt.nz). This will be the last update for the 2016-17 programme. A new programme will be available shortly.

<b>Items where external consultation has closed</b>	
<a href="#">PUB00255</a>	GST – Compulsory zero-rating rules (general application)
<a href="#">QWB00078</a>	GST – Taxable activity – Non-profit bodies and section 20(3K)
<a href="#">PUB00277</a>	GST – Unit trust management fees
<a href="#">PUB00290</a>	Income Tax and GST – Treatment of bloodstock breeding partnerships
<a href="#">INS00126</a>	Income tax – Donee organisations – <b>Meaning of “wholly or mainly” in definition of donee organisation</b>
<a href="#">PUB00227</a>	Income tax – Revenue account property – Are non-income producing assets necessarily held on revenue account?
<a href="#">PUB00249</a>	FBT – Motor vehicles
<a href="#">PUB00261</a>	Income tax – Trusts – Review of 1989 TIB on the taxation of trusts
<a href="#">PUB00267</a>	Income tax – <b>Withholding tax treatment of directors’ fees</b>
<b>Items currently at external consultation</b>	
<b>Items currently in progress</b>	
<a href="#">PUB00257</a>	GST – Grouping rules
<a href="#">PUB00171</a>	Income tax – Deductibility – Costs associated with obtaining resource consents
<a href="#">PUB00274</a>	Income tax – Depreciation – Identifying items of depreciable property
<a href="#">INS00098</a>	Income tax – Dividends – Timing of when paid or derived
<a href="#">PUB00293</a>	Income tax – Insurance – Group life insurance in an employment context
<a href="#">PUB00286</a>	Income tax – Land – Improvements becoming part of land
<a href="#">PUB00258</a>	Income tax – Partnership – Introduction of assets to a partnership by a partner
<a href="#">PUB00287</a>	Income tax – Research & Development
<a href="#">PUB00288</a>	Income tax – Tax credits – Payments made to schools
<b>Items not currently being worked on</b>	
<a href="#">PUB00256</a>	GST – Compulsory zero-rating rules (some specific interpretative issues)
<a href="#">PUB00279</a>	GST – Credit card charges
<a href="#">PUB00281</a>	GST – Trusts – Supplies from trusts to beneficiaries

<a href="#">PUB00168</a>	Income tax – Deductibility of private/revenue expenses
<a href="#">PUB00283</a>	Income tax – Income – Amounts derived from land use
<a href="#">PUB00272</a>	Income tax – Land – Exemptions with a purpose requirement
<a href="#">PUB00226</a>	Income tax – Tax treatment of crypto-currencies
<a href="#">PUB00265</a>	Income tax – Timing – Deductibility of costs of land development and other expenses
<a href="#">PUB00266</a>	Income tax – Update <b>and replace</b> IG 007 “Non-resident software suppliers’ payments derived from New Zealand—Income tax treatment”
<b>Completed items</b>	
<a href="#">PUB00229</a>	FBT – Liability of charitable organisations for FBT
<a href="#">PUB00211</a>	GST – Output tax – Parking infringement fines
<a href="#">PUB00228</a>	GST – Supply – Single versus multiple supplies
<a href="#">PUB00280</a>	GST – Taxable activity – Racing syndicates and partnerships
<a href="#">PUB00273</a>	Income tax – Associated persons – Corporate trustees
<a href="#">PUB00205</a>	Income tax – Deductibility of farm dwelling expenses and apportionment
<a href="#">PUB00278</a>	Income tax – Deductibility of feasibility expenditure
<a href="#">PUB00240</a>	Income tax – <b>Deductibility of software developer’s costs</b>
<a href="#">PUB00223</a>	Income tax – Deductibility – When are the costs of obtaining a seismic assessment report deductible?
<a href="#">PUB00231</a>	Income tax – Derivation – Timing of when to return professional services fees
<a href="#">PUB00284</a>	Income tax – Income – Treatment of unclaimed amounts of \$100 or less
<a href="#">PUB00220</a>	Income tax – Land – Date of acquisition
<a href="#">PUB00285</a>	Income tax – Insurance – Life insurance provided in an employment context
<a href="#">PUB00271</a>	Income tax – Land – Exemptions for land transferred to associated persons
<a href="#">PUB00259</a>	Income tax – Land – Habitual land sales
<a href="#">PUB00260</a>	Income tax – Land – Intention of resale
<a href="#">PUB00241</a>	Income tax – Meaning of “unit trust”
<a href="#">PUB00276</a>	Income tax – Residence – Reviewing the permanent place of abode test following the CA decision in <i>Diamond</i>
<a href="#">PUB00262</a>	Income tax – Review <b>of IS 2215 “Income tax treatment of New Zealand patents”</b>
<a href="#">PUB00263</a>	Income tax – Share reclassifications
<a href="#">PUB00218</a>	Income tax – Tax credits – Availability of foreign tax credits
<a href="#">PUB00246</a>	Income tax – Tax treatment of lump sum settlement payments
<a href="#">PUB00248</a>	Income tax – Taxation of income derived from on-line activities
<a href="#">PUB00209</a>	Income tax – Trusts – Beneficiaries as settlors
<a href="#">PUB00291</a>	Income tax – Withdrawal of BR 05/02 to 05/10 following Vector
<a href="#">PUB00268</a>	RWT – In-specie dividends
<a href="#">QWB00085</a>	Tax Administration – Period of binding ruling
<a href="#">PUB00289</a>	Tax Administration – Requirements for communications to be in writing

## Detailed work programme

The following table contains more information about each item on the work programme including a brief explanation of the issue, the reason for the item and the expected progress of the item once it has been commenced. It has been arranged alphabetically by tax type and then subject matter. Items that have been completed are shaded for ease of identification.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00229	FBT – Liability of charitable organisations for FBT	BR Pub 09/03 states that a charitable organisation will not be in business unless the organisation's constitution states that one of its purposes is to make a profit.	Review the correctness of the commentary to BR Pub 09/03.	Published as BR Pub 17/06 in April 2017.
PUB00249	FBT – Motor vehicles	Clarify issues around the FBT treatment of motor vehicles through the use of common examples. Includes updating several old public statements: FBT – Cars left at airport - 24 hour exemption (PIB 144 (March 1986)) and Emergency call exemption (Questions 8, 9 & 15 PIB 137 (July 1985)), Emergency call exemption (PIB 138, September 1985) and <b>"What is an 'emergency call' for FBT purposes?" (TIB Vol 6, No 9, February 1995).</b>	A number of commentators have written articles on this topic. These suggest that IR does not have sufficient public guidance in this area. The aim of this item will be to educate taxpayers on their FBT obligations when they provide employees with a motor vehicle. The PIB Review Project identified certain PIB items as being out of date and incorrect. As taxpayers may be relying on the PIB items, it is desirable to replace them with an item that correctly reflects the current legislation.	External consultation closed 19 May 2017. Considering external submissions.
PUB00255	GST – Compulsory zero-rating rules (general application)	Outline how the CZR rules work using some common examples.	Many taxpayers do not understand how the CZR rules work in practice. This item would aim to educate taxpayers about the fundamental aspects of the CZR rules and illustrate these with some common examples.	External consultation closed 23 June 2017. Considering external submissions.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00256	GST – Compulsory zero-rating rules (some specific interpretative issues)	There are a number of interpretative issues with the CZR rules. This item will consider several issues that have arisen in practice.	The treatment of certain transactions under the CZR rules is unclear and is causing confusion for IR, taxpayers and agents. This item would aim to resolve some of these uncertainties.	Unallocated.
PUB00279	GST – Credit card charges	Update and replace the guidance in 'Question 49' in PIB 158 (November 1986) on the treatment of charges made by a credit card company to a supplier.	IR has agreed that some of the outstanding PIB Review Project items will <b>be included on the Public Rulings' work programme</b> each year. The aim of this item is to provide greater guidance on the treatment of fees charged in respect of credit cards.	Unallocated.
PUB00257	GST – Grouping rules	How the grouping rules interact with other provisions in the GST Act. In particular do the deeming rules in the grouping provisions apply to all of the provisions in the Act or are they limited to allowing consolidation of transactions in a GST return?	There is significant uncertainty around how the GST grouping rules apply in practice. IR regularly receives queries from taxpayers on GST grouping issues. This item will aim to resolve these uncertainties.	Considering issues.
PUB00211	GST – Output tax – Parking infringement fines	Confirm current GST treatment of infringement fines imposed by local authorities.	Translate into a public ruling previous advice given by IR regarding the GST treatment of infringement fines so that it is more widely available.	Published as BR Pub 17/03 in February 2017.
PUB00228	GST – Supply – Single versus multiple supplies	What are the principles that determine whether there is a single supply or multiple supplies being made for GST purposes?	General guidance on the law with some examples of how the law applies in practice in this area set out in one place would be of use to both an internal and external audience.	Published as IS 17/03 in April 2017.
QWB00078	GST – Taxable activity – Non-profit bodies and section 20(3K)	Considers non-profit bodies conducting taxable activities and their ability to claim input credits as well as the output tax adjustments required to deregister from GST.	Attempting to clarify the operation of s 20(3K) and the extent of the assets forming part of a taxable activity on deregistration.	External consultation closed 24 April 2015. Considering external submissions and possible policy considerations.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00280	GST – Taxable activity – racing syndicates and partnerships	Considers whether a horse racing syndicate or partnership can be a registered person for GST.	This item will seek to clarify when a horse racing syndicate or partnership can register for GST. The item has been prompted by a lack of clarity in this area.	Published as QB 17/04 in May 2017.
PUB00281	GST – Trusts – Supplies from trusts to beneficiaries	Considers supplies made by trusts to beneficiaries including the timing of when any supply occurs.	Need for clarification was identified as part of QB 16/03 on the GST treatment of bare trusts.	Unallocated.
PUB00277	GST – Unit trust management fees	Whether services provided by unit trust managers are a financial service.	<b>Communicate IR's</b> views on GST treatment of the relevant fees.	External consultation closed 23 March 2017. Considering submissions.
PUB00273	Income tax – Associated persons – Corporate trustees	Guidance on whether a corporate trustee is a "company" for the s YA 1 definition of "dividend".	Uncertainty has been created following the decisions in <i>Concepts 124 Ltd v CIR</i> [2014] NZHC 2140 and <i>Staites Drive Development Limited v CIR</i> [2015] NZHC 2,593. This item addresses the issues around the capacity of a trustee when the trustee is a corporate.	Project closed. Issues on IR Policy work programme – see Taxation (Annual Rates for 2017-18, Employment and investment Income, and Remedial Matters Bill).
PUB00171	Income tax – Deductibility – Costs associated with obtaining resource consents	Tax treatment of costs associated with resource consents other than those within item 10 in Schedule 14 of the ITA 2007.	Lack of clarity as to when / how costs associated with resource consents are deductible – i.e. when the resource consent does not fall within schedule 14(10); when costs are incurred to remove obstacles to obtaining resource consents.	Considering issues.
PUB00223	Income tax – Deductibility – When are the costs of obtaining a seismic assessment report deductible?	In what circumstances can taxpayers take a deduction for the cost of obtaining a seismic assessment of <b>their building's capacity to withstand earthquakes?</b>	Businesses owning property and landlords may incur costs in obtaining a seismic assessment for their building. Clarity as to deductibility would be helpful.	Published as QB 16/08 December 2016.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00205	Income tax – Deductibility of farm dwelling expenses and apportionment	Whether, and to what extent, expenses relating to a farm dwelling are deductible.	Review of several longstanding Inland Revenue positions on interest, rates and other farm dwelling expenses. Need to test interpretative basis for these positions.	Published as IS 17/02 March 2017.
PUB00278	Income tax – Deductibility of feasibility expenditure	Update IS 08/02 – Deductibility of feasibility expenditure to take account of the Supreme Court decision in <i>Trustpower v CIR</i> .	<b>IS 08/02 sets out the Commissioner's</b> current view on when feasibility expenditure will be deductible. The statement will be updated to take into account the Supreme Court judgment.	Published as IS 07/01 February 2017.
PUB00168	Income tax – Deductibility of private/revenue expenses	Deductibility of expenses that are both private and revenue in nature – whether all are deductible or whether apportionment applies.	Considers the scope of the dicta from several 1980s Court of Appeal cases on interest deductibility in regard to dual private and revenue expenditure.	On hold pending policy consideration.
PUB00240	Income tax – Deductibility of <b>software developer's</b> costs	Review of Tax Treatment of Computer Software published in an appendix to Tax Information Bulletin Volume Four, No 10 (May 1993). This item focuses on software developers.	Given the age of the appendix the aim will be to provide a useful current statement on various issues around the development, acquisition and depreciation of software that have not otherwise been updated.	File closed as issues referred to policy for consideration.
PUB00274	Income tax – Depreciation – Identifying items of depreciable property	This item would set out the principles to apply to identify an item of depreciable property.	QB 15/03 referred to the IS 10/01 statement on residential properties and IS 12/03 on repairs & maintenance for guidance on this point. Having a more general statement setting out the principles that apply to identify the item would provide greater certainty.	Considering issues.
PUB00231	Income tax – Derivation – Timing of when to return professional services fees	Update and replace guidance on the timing of derivation of professional services fees.	Update and replace PIB 37-4 following the PIB review project.	Published in December 2016 as IS 16/06.
INS00098	Income tax – Dividends – Timing of when paid or derived	Dividends – timing of when paid or derived.	Long-standing issue where clarification sought.	Considering issues.

Project no.	Title	Topic	Reason for public item	Status & next steps
INS00126	Income tax – Donee organisations – Wholly or mainly	This item discusses the meaning of “wholly or mainly” in New Zealand for donation tax credit purposes.	Consideration of the interpretation and application of the phrase and how the provision operates in practice.	External consultation on Issues Paper IRRUIP9: Donee organisations, etc closed on 29 July 2016. Considering submissions and drafting revised item.
PUB00283	Income tax – Income – Amounts derived from land use	Consider impact of the recent Court of Appeal decision <i>CIR v Vector</i> on existing public statements.	Consider impact of decision in <i>Vector</i> on existing public statements, in particular Pub BR 05/ 02-10 and Pub BR 09/06.	See withdrawal notice PUB00291. On hold re balance of issues pending policy consideration.
PUB00248	Income tax – Income – Amounts derived from on-line activities	Considers when income from on-line activities is taxable. This will include examples such as taxpayers earning income from posting on websites (such as YouTube).	This is an area where many taxpayers are not aware of their tax obligations. The item will aim to educate taxpayers around when amounts received from on-line activities will be taxable. This will assist with voluntary compliance.	Published as QB 17/05 in May 2017.
PUB00284	Income tax – Income – Treatment of unclaimed amounts of \$100 or less	The rulings consider the income tax treatment of amounts of unclaimed money of \$100 or less.	BR Pub 13/03 and BR Pub 13/04 expire on the last day of the 2016/17 income year.	Published as BR Pub 17/01 and BR Pub 17/02 in January 2017.
PUB00293	Income tax – Insurance – Group life insurance in an employment context	Addresses assessability, deductibility and FBT issues relating to the provision of group life/accident insurance by employers where a group of employees is the insured group and the employer is the beneficiary and the employee(s) has a right to the claim payment.	Part of updating and replacing the remaining parts of PIB 70-6 – staff insurance schemes and 106-2 – life and accident insurance policies following the PIB review project. QB 15/05, QB 15/06, QB 15/09 and QB 15/10 considered the treatment for policies where the employee was the beneficiary. This project will consider situations where the employer is the beneficiary of the policy and the employee(s) has a right to the claim payment.	Considering issues.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00285	Income tax – Insurance - Life insurance provided in an employment context	Addresses assessability and deductibility issues relating to the provision of life/accident insurance by employers where an employee(s) is the insured person and the employer is the beneficiary.	Part of updating and replacing the remaining parts of PIB 70-6 – staff insurance schemes and 106-2 – life and accident insurance policies following the PIB review project. QB 15/05, QB 15/06, QB 15/09 and QB 15/10 considered the treatment for policies where the employee was the beneficiary. This project will consider situations where the employer is the beneficiary of the policy.	Published as QB 17/06 in June 2017.
PUB00220	Income tax – Land – Acquisition of land issue	What is the date of acquisition for the purposes of sections CB 6 and CB 6A?	Various issues relating to the timing of the date of acquisition given the introduction of section CB 15B including how section CB 6 applies <b>where the “land” that is acquired is different from the “land” that is disposed of.</b> Referred by Policy & Strategy post select committee submissions as regards the different interests in land aspect.	Published as QB 16/09 in March 2017.
PUB00271	Income tax – Land – Exemptions for land transferred to associated persons	Whether section CB 15 applies when land is transferred to an associated person but the associate uses it in a way that falls within an exemption under sections CB 16 – CB 23B.	There is uncertainty whether associated persons can rely on the exemptions. Where the exemption seems satisfied, an issue arises as to whether it should apply as the purpose of s CB 15 appears to be to ensure the builder / developer etc does not escape paying tax on the gain by transferring land to an associated person.	Project closed and referred to Policy & Strategy for inclusion on their work programme.
PUB00272	Income tax – Land – Exemptions with a purpose requirement	<b>Whether the phrase “for the purpose(s) of” in some of the exemptions provides an additional requirement to be satisfied.</b>	There is uncertainty as to whether the phrase provides an additional requirement. This item will aim to clarify the rules in this area and assist with voluntary compliance.	Unallocated.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00259	Income tax – Land – Habitual land sales	Clarify when taxpayers who regularly on sell their family home will be taxable on the proceeds.	Many taxpayers misunderstand when proceeds from a property sale will be taxable. This item will aim to educate taxpayers on the rules in this area and, therefore, assist with voluntary compliance.	Published as QB 16/07 in August 2016.
PUB0286	Income tax – Land – Improvements becoming part of land	Clarify when an improvement to land or fit-out of a building becomes part of the "land" both in terms of ownership of the improvement and for the purposes of s CB 11.	There is uncertainty as to whether a building fit-out is an improvement to land for the purposes of s CB 11. There seems further uncertainty as to which party owns various improvements to land and buildings and this item will seek to clarify the position.	Considering issues.
PUB00260	Income tax – Land – Intention of resale	Clarify the application of s CB 6 with some practical examples. This would include discussion around the timing of the intention test and the interaction between s CB 6 and the proposed new 2-year bright line test.	Many taxpayers misunderstand when proceeds from a property sale will be taxable. This item will aim to educate taxpayers on the rules in this area and, therefore, assist with voluntary compliance.	Published as QB 16/06 in July 2016.
PUB00241	Income tax – <b>Meaning of "unit trust"</b>	Can a unit trust have only one unit holder? Review of CIR statement confirming treatment in expired ruling that a unit trust always needs multiple unit holders.	Doubt has been raised about the accuracy of the existing statement. Need to resolve and clarify for all taxpayers.	Published as IS 16/02 in July 2016.
PUB00258	Income tax – Partnership – Introduction of assets to a partnership by a partner	The Income Tax Act treats partners as owning a proportionate share of the partnership assets. The issue in this item is how the Act treats the transfer of an asset from a partner to a partnership. In particular, does the Act treat the entire asset as being disposed of (and then a proportionate share of it effectively reacquired by the partner) or does it treat only part of the asset as being disposed of to the partnership?	QB 14/02 considered the income tax effects of a new partner entering an existing partnership. This item considers a related issue. We have been told that there is uncertainty among practitioners as to how a transfer of an asset to a partnership should be treated.	Considering issues.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00266	Income Tax - Payments derived from New Zealand by non-resident software suppliers	Clarify the income tax treatment (under NZ domestic law and double tax agreements) of payments derived from NZ by non-resident suppliers of computer software. More specifically: the proper character of payments for supplies of computer software (whether payments are royalties, business or rental income, for services, or non-taxable receipts); and the possible income tax treatment of each type of payment (including for NRWT).	It has been suggested both internally and by external practitioners that IG 007 <b>"Non-resident software suppliers' payments derived from New Zealand— Income tax treatment" is out of date,</b> particularly in light of technological developments in the way software is transacted.	Unallocated.
PUB00287	Income tax – Research & Development	Provide guidance on the R&D rules in particular as regards their application in the context of the new loss credit rules.	At FEC Inland Revenue agreed to provide guidance on the R&D rules as part of the implementation of the new legislation.	Considering issues.
PUB00276	Income tax – Residence – Reviewing the permanent place of abode test following the Court of Appeal decision in <i>Diamond</i>	Concerns one of the tax residence tests for individuals – the <b>"permanent place of abode" test in s YD 1(2).</b>	As a result of the Court of Appeal decision in <i>CIR v Diamond</i> , part of Interpretation Statement IS 14/01 needs to be updated.	Published as IS 16/03 in September 2016.
PUB00227	Income tax – Revenue account property – Are non-income producing assets (eg precious metals) necessarily held on revenue account?	Establish whether it is always true that non-income generating commodities must be held on revenue account.	Raised externally as an area where clarity would be appreciated. There has been past consideration by Inland Revenue of individual cases.	External consultation closed on 7 April 2016. Considering submissions.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00262	Income Tax – Review of IS 2215 “Income tax treatment of New Zealand patents”	Consider the correctness of IS 2215 in light of taxation and patent law legislative changes.	Since publication of IS 2215, nearly 10 years ago, both the income tax and patents legislation has changed, with the Income Tax Act 2007 and Patents Act 2013 coming into force. There have also been other legislative changes, notably to so-called “black hole” expenditure (see Taxation (Annual Rates for 2015-16, Research and Development, and Remedial Matters) Act), affecting the income tax rules for patents. Consequently, there is a need to revise and update IS 2215 to reflect the new law.	Published as IS 17/05 in June 2017.
PUB00263	Income tax – Share reclassifications	The issue is whether there are circumstances in which a share reclassification or alteration of rights attaching to shares means that there has been a share cancellation and issue of new shares. Also considers <b>whether any aspects of “ASC - Consequences of Deemed Reregistration” Tax Information Bulletin Vol 10, No 7 (July 1998)</b> need clarifying in light of the conclusions reached on this issue.	A number of taxpayers have requested <b>IR’s view on whether shares they have issued will be treated as cancelled and reissued when there is an alteration of shareholders’ rights in accordance with the terms of the shares.</b> There is general uncertainty in this area so it will be useful for taxpayers if the Commissioner clarifies her view on this issue.	Published as BR Pub 17/04 and BR Pub 17/05 in April 2017.
PUB00218	Income tax – Tax credits – Availability of foreign tax credits	Foreign tax credits – relationship between DTAs and domestic law.	Post completing the item on the availability of FTCs for taxes not covered by a DTA, there is interest from advisers in clarifying the position for taxes covered by DTAs.	Published as IS 16/05 in October 2016.
PUB00288	Income tax – Tax credits – Payments made to schools	Consider in what circumstances payments made to schools will attract a donation tax credit.	This is a referral from QB 16/05 on the meaning of gifts. A number of submitters requested specific guidance on how the principles set out applied in the context of schools – state, integrated and private.	Considering issues.

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00226	Income tax – Tax treatment of crypto-currencies	Considers the income tax treatment of Bitcoin and other crypto-currencies.	There is interest in Inland Revenue stating how such currencies should be treated for income tax purposes – other revenue authorities have given guidance.	Unallocated.
PUB00246	Income tax – Tax treatment of lump sum settlement payments	When will an un-dissected lump sum payment received under a compromise settlement in respect of claims that (if successful) would have resulted in receipts of both a capital and revenue nature be taxable to the recipient?	There appears to be some uncertainty among taxpayers as to how the Commissioner will treat a lump sum payment made to settle claims that are partly capital and partly revenue in nature. In particular, some taxpayers appear to have taken the view that the lump sum would be treated as wholly capital and, therefore, not subject to income tax. This item will set out the <b>Commissioner's</b> view on this issue.	Published as IS 16/04 in October 2016.
PUB00265	Income tax – Timing – Deductibility of costs of land development and other expenses	When can costs that are incurred by property developers on land that is held for sale, but unsold, be claimed as a deduction?	This is a significant area of uncertainty for IR and taxpayers. This item relates to PIB 179 (1989) and hence has also been included because IR has agreed that some of the outstanding PIB Review Project items will be included on the Public <b>Rulings' work programme each year.</b>	On hold pending policy consideration.
PUB00209	Income tax – Trusts – Beneficiaries as settlors	The issue is whether a beneficiary of a trust will <b>be treated as a "settlor" of a trust</b> where the beneficiary has beneficiary income that is credited to a current account with the trust rather than being transferred to the beneficiary.	There is an opportunity to clarify the law <b>in this area and confirm when the "settlor"</b> definition will apply. Advisers have suggested an item on this would be useful.	Project closed. Policy and Strategy have placed this on their work programme for 2016-17 (released Nov 2016).

Project no.	Title	Topic	Reason for public item	Status & next steps
PUB00261	Income Tax – Trusts – Review of 1989 TIB on the taxation of trusts	<b>Update and replace 'Taxation of trusts' (Appendix to Tax Information Bulletin Vol 1, No 5 (November 1989)).</b>	The 1989 TIB is a comprehensive statement on the income tax treatment of trusts. It was written following the introduction of new trusts legislation in 1988. The TIB is the latest view provided by the Commissioner on many of the issues it covers and is still relied on by taxpayers. The item discusses the Income Tax Act 1976 and is, therefore, significantly out of date. This item would update and replace the 1989 item so that it reflects the current legislation.	External consultation closed 27 June 2017. Considering submissions.
PUB00291	Income tax – Withdrawal of BR 05/02 to 05/10 following <i>Vector</i>	Consider impact of the recent Court of Appeal decision <i>CIR v Vector</i> on BR 05/02 to 05/10.	This project was split out from <a href="#">PUB00283</a> . Other issues concerning the effect of the decision in <i>Vector</i> will be dealt with in PUB00283.	Withdrawal notice for BR Pub 05/02 – 05/10 published in April 2017.
PUB00267	Income tax – Withholding tax treatment of <b>directors' fees</b>	Provide updated guidance on the income tax withholding treatment of <b>directors' fees</b> . In particular clarify issues around cross-border situations and situations where the individual director is not the immediate, beneficial, or ultimate recipient of the fees (such as when fees are paid directly to a company or where the director is required to reimburse the company for fees received).	BR Pub 15/10 clarified the GST treatment of <b>directors' fees</b> . It has been suggested that similar interpretative uncertainties arise in an income tax context – in particular in relation to withholding obligations.	External consultation closed 30 May 2017. Considering submissions.
PUB00290	Income tax and GST – Treatment of bloodstock breeding partnerships	Provide guidance on the income tax and GST treatment for taxpayers that invest in bloodstock breeding partnerships.	There has been some uncertainty among taxpayers as to how bloodstock breeding partnerships should be treated for income tax and GST purposes.	External consultation closed 23 December 2016. Considering submissions.
PUB00268	RWT – In-specie dividends	How RWT applies where a company pays an in-specie dividend to shareholders, some of whom are subject to RWT and some of whom are not. This will usually occur in the context of a reorganisation.	There is considerable misunderstanding among taxpayers as to how RWT applies in this situation. This item will aim to provide some certainty in this area.	Published as QB 17/07 in June 2017.

Project no.	Title	Topic	Reason for public item	Status & next steps
QWB00085	Tax Administration – Period of binding ruling	Guidance to applicants and agents as to the period of private and product rulings.	Set out <b>CIR's practice in setting the length</b> of the term of a private or product ruling.	Published as QB 17/03 in April 2017.
PUB00289	Tax Administration – Requirements for communications to be in writing	General item explaining that existing items referring to communications in writing can now be by electronic means following the enactment of the Taxation (Transformation: First Phase Simplification and Other Measures) Act 2016.	There may be uncertainty as to how the Taxation (Transformation: First Phase Simplification and Other Measures) Act 2016 affects existing statements from the Commissioner. This item will aim to provide some clarity.	Completed. Item published <b>in Agents' Answers</b> April 2017.