



ANALYSIS

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1994, No. 78

An Act to amend the Estate and Gift Duties Act 1968

[14 September 1994]

BE IT ENACTED by the Parliament of New Zealand as follows:

1. Short Title and commencement—(1) This Act may be cited as the Estate and Gift Duties Amendment Act 1994, and shall be read together with and deemed part of the Estate and Gift Duties Act 1968 (hereinafter referred to as the principal Act).

(2) This Act shall be deemed to have come into force on the 1st day of July 1994.

2. Interpretation—Section 2 (2) of the principal Act is hereby amended by omitting from the definition of the term “disposition of property” the word “allotment”, and substituting the word “issue”.

3. Dutiable estate—Section 6 (2) (i) of the principal Act is hereby amended by adding the words “or the Companies Act 1993”.

4. Valuation of shares—Section 22 of the principal Act is hereby amended—

- (a) By omitting the words “including a private company,”;
- (b) By omitting the words “memorandum or articles of association”, and substituting the word “constitution”.

5. Exemption for gifts in respect of amalgamating companies—The principal Act is hereby amended by inserting, after section 74^B (as inserted by section 2 of the Estate and Gift Duties Amendment Act (No. 2) 1992), the following section:

“74c. (1) No gift shall constitute a dutiable gift where the donor is an amalgamating company (as defined in section 191^{WD} (2) of the Income Tax Act 1976), the donee is the amalgamated company (as so defined), and the gift occurs as part of the amalgamation (as so defined).

“(2) No gift shall constitute a dutiable gift where the donor is a shareholder in an amalgamating company, the donee is the amalgamated company or a company which directly or indirectly wholly owns the amalgamated company, the gift occurs as part of the amalgamation, and the amalgamation occurs under section 222 of the Companies Act 1993 or section 209^D of the Companies Act 1955.”

6. Exemption for certain payments by employers—Section 75 (1) of the principal Act is hereby amended by omitting from both paragraph (b) and paragraph (c) the words “nominal value of allotted shares”, and substituting in each case the words “issued shares (measured by reference to their available subscribed capital per share (as defined in section 2 of the Income Tax Act 1976))”.

This Act is administered in the Inland Revenue Department.
