



Goods and Services Tax (Grants and Subsidies) Amendment Order 2003

Silvia Cartwright, Governor-General

Order in Council

At Wellington this 26th day of May 2003

Present:

Her Excellency the Governor-General in Council

Pursuant to section 5(6E) of the Goods and Services Tax Act 1985, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following order.

Contents

1	Title	3	Schedule amended
2	Commencement		

Order

1 Title

- (1) This order is the Goods and Services Tax (Grants and Subsidies) Amendment Order 2003.
- (2) In this order, the Goods and Services Tax (Grants and Subsidies) Order 1992¹ is called “the principal order”.

¹ SR 1992/323

2 Commencement

This order comes into force on 1 July 2003.

3 Schedule amended

The Schedule of the principal order is amended by adding the following clause:

- “3 So much of any payment made by the New Zealand Agency for International Development to a New Zealand organisation that, as a condition of the payment, must be—
- “(a) transferred outside New Zealand; and
 - “(b) transferred to an organisation that is operating outside New Zealand at the time the payment is received by that organisation; and
 - “(c) used to acquire goods or services outside New Zealand.”

Martin Bell,
Acting for Clerk of the Executive Council.

Explanatory note

This note is not part of the order, but is intended to indicate its general effect.

This order, which comes into force on 1 July 2003, amends the Goods and Services Tax (Grants and Subsidies) Order 1992. The effect of this amendment is that any part of a payment made by the New Zealand Agency for International Development to a New Zealand organisation that, as a condition of the payment, must be—

- transferred outside New Zealand; and
 - transferred to an organisation that is operating overseas; and
 - for the purpose of acquiring goods or services overseas,—
- is declared to be a non-taxable grant or subsidy for the purposes of section 5(6D) of the Goods and Services Tax Act 1985 and is therefore not subject to goods and services tax.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 29 May 2003.

This order is administered in the Inland Revenue Department.
