



5. GST & FINANCIAL CONTRIBUTIONS MADE UNDER THE RESOURCE MANAGEMENT ACT

The Principal Accountant sought:

1. Comment on whether the Council should make a submission on the draft public rulings on Goods and Services Tax (GST) on financial contributions made under the Resource Management Act (RMA) and, if it did, whether the submission should be based on the advice provided by Denis Sheard of Buddle Findlay.
2. Confirmation as to whether the Council wished to change the manner in which it sets the amounts of the financial contributions it collects under the Resource Management Act to prevent any possible problems should the draft public rulings be issued in their current form.

He also signalled that his report would be considered by the Strategy and Finance Committee.

The Principal Accountant recommended:

1. That a submission be made on the draft public rulings incorporating the points raised by Denis Sheard.
2. That the basis for calculation for all financial contributions under the RMA be changed so they are all calculated based on the GST exclusive value of the development plus GST if any.

The Committee **decided** to support the above recommendation.