

The Treasury

Budget 2024 Information Release

September 2024

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Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
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- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

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From: Claire Hubert [TSY]
To: Parliament; Emma Crigg
Cc: Jean Le Roux [TSY]; Robert O'Hara [TSY]; Michael Eglinton [TSY]; Meghan Stephens [TSY]; Paul Young; Maraina Hak; Claire McLellan [TSY]; Laura Browne [TSY]; Julia Robinson [TSY]
Subject: RE: Commissioning requests
Date: Thursday, 15 February 2024 12:15:00 pm

Hi Emma,

As per your conversation with Jean, here are the four scenarios we are planning to model for our upcoming TR:

Threshold change scenarios	Upper threshold limit (UTL) for 10.5% threshold	UTL for 17.5% threshold	UTL for 30% threshold	UTL for 33% threshold	indicative savings when compared to National manifesto plan. <i>Please note: initial modelling, ball-park figure, subject to change</i>
<i>Current (for reference)</i>	\$14,000	\$48,000	\$70,000	\$180,000	
(1) National manifesto plan	\$15,600	\$53,500	\$78,100	\$180,000	N/A
(2) Manifesto but don't change bottom threshold	\$14,000	\$53,500	\$78,100	\$180,000	e. \$1.2bn
(3) Lower manifesto promise by 10% for each threshold	\$15,400	\$53,000	\$77,300	\$180,000	e. \$0.9bn
(4) Manifesto but lower second-highest threshold	\$15,600	\$53,500	\$74,000	\$180,000	e. \$0.8bn

We will model each of these for a July and October start date.

We will model two IETC add-ons to the National manifesto plan: the manifesto IETC proposal and, after your clarification conversation with Jean, the new IETC proposal amended to: Extending the upper limit of eligibility for the IETC to **\$53,500** with abatement from \$49,500.

We will model the manifesto IWTC proposal as an add-on to the National manifesto plan, with IR working up a separate report with various other scaled IWTC options.

We will deliver this report on Friday 23rd February for MoF to read prior to BM1 (Mon 26th Feb). We will then ask MoF to give a steer prior to BM2 on which of these options she is interested in presenting at BM2.

Confirmation of the scope of the above for our advice as soon as possible would be great so we can finalise.

Thanks

Claire

From: Jean Le Roux [TSY] <Jean.LeRoux@treasury.govt.nz>
Sent: Tuesday, February 13, 2024 3:32 PM
To: Claire Hubert [TSY] <Claire.Hubert@treasury.govt.nz>; Robert O'Hara [TSY] <Robert.O'Hara@treasury.govt.nz>; Michael Eglinton [TSY] <Michael.Eglinton@treasury.govt.nz>; Meghan Stephens [TSY] <Meghan.Stephens@treasury.govt.nz>; Paul Young <paul.young@ird.govt.nz>; Maraina Hak <maraina.hak@ird.govt.nz>
Cc: Claire McLellan [TSY] <Claire.McLellan@treasury.govt.nz>
Subject: FW: Commissioning requests

Hi team

Please find below some further considerations on IETC for PIT from Grant. Could you please let me know the best way to tackle this.

- 1 Independent earner tax credit – Grant Johnston indicated an interest in looking at extending the upper limit of eligibility for the IETC to \$53,000 with abatement from \$49,500. This differs from the National plan which was an upper limit for eligibility of \$70,000 with abatement of the payment starting from \$66,000. This was a proposal in response to the EMTR result following from the National plan.

Thanks

Emma