

The Treasury

Budget 2024 Information Release

September 2024

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- The Treasury website from later in 2024 at: <https://www.treasury.govt.nz/publications/information-release/budget-2024-information-release>

Information Withheld

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

Where this is the case, the relevant sections of the Act that would apply have been identified.

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

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
- [27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
- [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

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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Hon Nicola Willis

Minister of Finance
Minister for the Public Service
Minister for Social Investment
Associate Minister of Climate Change



23 April 2024

Hon Simon Watts
Minister of Revenue
Parliament Buildings

Dear Simon

Budget 2024 decisions – Vote Revenue

Following our discussions over the past week, this letter confirms the decisions made as part of Budget 2024. The costings for the initiatives related to the Personal Income Tax package are subject to change and I intend to confirm any changes to costings in the Budget 2024 Cabinet Paper to be considered by Cabinet on 29 April.

I would be grateful if you could direct your officials to work with the Treasury to complete the financial recommendations, including the Personal Income Tax initiative, and also prepare the necessary Estimates and Supplementary Estimates material for your sign off by 26 April.

A reminder that these decisions remain Budget Sensitive and should only be shared on a need-to-know basis. My office will provide further advice on the approach to Budget communications. Thank you again for your support towards the successful delivery of Budget 2024.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Nicola Willis', written over a light blue circular watermark.

Hon Nicola Willis
Minister of Finance

Cc Peter Mersi, Commissioner and Chief Executive – Inland Revenue

Vote Revenue

Budget 2024 Package as at 16 April

All operating values are in average per annum and capital values are total capital. Figures may not sum to totals due to rounding. Initiatives are listed under lead portfolio.

New Spending	Savings and Revenue
<p>Pre-commitment Total Operating: (\$910.4m) Total Capital: \$5.6m</p> <ul style="list-style-type: none"> ID 15753 and 15746: FamilyBoost <i>Operating: \$181.6m (including \$1m not pre-committed), Capital: \$5.6m</i> ID 15744: Restoring interest deductibility for residential rental property <i>Operating: \$728.8m</i> <p>Cost Pressures</p> <ul style="list-style-type: none"> Nil <p>Government Policy Commitments Total Operating: (\$2,637m)</p> <ul style="list-style-type: none"> ID 15754* and 15745: Personal Income Tax and Independent Earner Tax Credit threshold changes <i>Operating: \$2,482.0m</i> ID 15747 and 15768: In-Work Tax Credit – rate increase <i>Operating: \$155.0m</i> 	<p>Pre-commitment</p> <ul style="list-style-type: none"> ID 15742 and 15743: Online Gambling tax changes <i>Operating: (\$47.5m)</i> <p>Baseline Savings Total Operating: (\$29.6m) Total Capital: -</p> <ul style="list-style-type: none"> ID 15770: Reduction in operating expenditure <i>Operating: (\$14.6m)</i> ID 15772: Reduction in systems maintenance and change capacity <i>Operating: (\$15.0m)</i> <p>Targeted Policy Savings Total Operating: (\$156.5m) Total Capital: \$6.7m</p> <ul style="list-style-type: none"> ID 16154 and 16149: Crypto Asset Regulatory Framework <i>Operating: (\$10.0m), Total Capital: \$6.7m</i> ID 15767 and 15740: Investment in tax compliance activities (including overseas-based student loan borrowers) <i>Operating: (\$146.5m)</i>
<p>Total New Spending Initiatives Operating: \$3,547.1m, Total Capital: \$5.6m</p>	<p>Total Savings and Revenue Initiatives Operating: (\$233.5m), Total Capital: \$6.7m</p>
<p>Net Total: Operating: \$3,313.6m, Capital: \$12.3m</p>	

*Denotes no outyears funding (time-limited).