



Tax Facts – Goods & Services Tax

GST is a tax on the supply of goods and services in New Zealand by a registered person on any taxable activity they carry out. The rate for GST is 15% although it can be zero-rated for exports.

Certain supplies of goods and services are 'exempt supplies' and exempt from GST. These include:

- Certain financial services
- Sale or lease of residential properties
- Wages/Salaries and most Directors' Fees

GST registration is required if the annual turnover of the business for a 12-month period exceeds or is expected to exceed \$60,000.

GST returns can be filed monthly, bi-monthly or six monthly. There are certain requirements for who must file monthly returns and who can file six monthly returns.

There are three methods of accounting for GST:

- [Invoice Basis](#)
- [Payments Basis](#)
- [Hybrid Basis](#)

If your turnover exceeds \$2,000,000 pa you cannot use the Payments basis option.

If you are selling or are thinking of selling your products through your website please also refer to the section on [GST and E-Commerce](#).

For more information on GST and how to register give us a call or visit the [GST section](#) of the IRD website.