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## **TAX CHANGES FOR SAVINGS AND INVESTMENT**

### **WELCOMED BY INDUSTRY**

“The Investment Savings and Insurance Association (“ISI”) generally welcomes yesterday’s announced changes to the tax of savings”, said Vance Arkininstall, CEO.

“These changes significantly improve the taxation status of managed funds the benefits of which flow through to investors, especially those investing in New Zealand and Australian equities. This is good news”, said Mr Arkininstall.

“The removal of tax on realised capital gains for NZ and Australian equities and taxing investors at their correct marginal tax rates represents welcome improvements for managed funds. This will be very positive for KiwiSaver investors”, said Mr Arkininstall.

“There is a disappointment that for international equities the new rules will see a distortion between direct investors and managed funds continue. This is unfortunate as the cost of addressing this would have been relatively small”, Vance Arkininstall said.

“Taken overall, the changes are a big step forward which will benefit investors and go a long way towards creating a level playing field for taxation on savings and investment”, said Mr Arkininstall.

“High income earners at the 39% level have a small tax gain as earnings in a managed fund will remain capped at 33%”, said Mr Arkininstall.

For further information contact:  
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