

Government makes right decision on CGT

17 April 2019 - Canterbury Employers Chamber of Commerce - The Government's decision to not adopt the proposed capital gains tax (CGT) is the "right decision given the impact it would have had on business", says Canterbury Employers' Chamber of Commerce Chief Executive Leeann Watson.

Announced this afternoon, the Government's response to one of the most important and contentious elements of the February Tax Working Group Final Report will be well-received by the business community, says Ms Watson.

"This move - and the reassurance that a capital gains tax will no longer be a priority under Jacinda Ardern's Prime Ministership - highlights the Government's commitment to listening and working with the business community.

"We are pleased that the Government has embarked on a strong, robust consultation process with all members of the community, listened to that feedback and ultimately made the right decision to rule out a new tax that could have adversely impacted all New Zealanders - and in particular small and medium-sized enterprises, which make up the majority of our country's employers.

"This is an example of the coalition Government working well together to reach a positive outcome, and we acknowledge the role that New Zealand First has played in this outcome.

"The Chamber has always advocated for a balanced and efficient tax system, with a broad base, low rate, and minimal cost of compliance to businesses, and addressing the areas that are not working, rather than introducing new measures.

"We look forward to working further with the Government to help shape a regulatory environment that promotes business and supports those who seek to create jobs and prosperity for the whole community."