

Submission regarding: Brightline extension and mortgage tax deductibility

Property investors are encouraged to provide feedback on the removal of mortgage interest as a deductibility expense and the extension of the bright line.

The discussion document *Design of the interest limitation rule and additional bright-line rules* and accompanying summary sheets are available at taxpolicy.ird.govt.nz.

By email your submission to: Policy.Webmaster@ird.govt.nz

Subject line: "Design of the interest limitation rule and additional bright-line rules"

Or post your submission to:

Design of the interest limitation rule and additional bright-line tests

C/- Deputy Commissioner, Policy and Regulatory Stewardship

Inland Revenue Department

P O Box 2198

Wellington 6140

Submission deadline: 11th July 2021 (must be received by 12th July, 2021)

How to make a submission? Below are the complete discussion document as well the summary sheets. There is a lot of information in these documents and they can be overwhelming. However, we advise you pick out points that effect you and to answer these sections.

For more information, see:

- the Ministers' [media statement](#), and
- the [discussion document](#).

These summary sheets briefly outline specific topics covered in the discussion document:

- [Changes to interest deductibility](#)
- [Who is affected by the interest deductibility changes?](#)
- [What type of properties are affected by changes to interest deductibility?](#)
- [The treatment of new builds under the bright-line test and changes to interest deductibility](#)
- [The development exemption](#)
- [Should interest deductions be allowed when property is sold?](#)
- [Changes to the bright-line test](#)

Your submission should include a brief summary of your main points and recommendations. Please also indicate whether officials from Inland Revenue may contact you to discuss the points raised, if required.

Implementation as a tax bill: 1st October 2021

Important Note:

Submissions may be the subject of a request under the Official Information Act 1982, which may result in their publication. The withholding of responses on the grounds of privacy, or for any other reason, will be determined in accordance with that Act. If you consider that any part of your submission should properly be withheld under the Act please clearly indicate this.