

2010 media releases

## **Care urged over property GST claims**

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People are being advised by Inland Revenue to carefully consider GST claims they make relating to property transactions to ensure they are legitimate.

"Most people do the right thing, but we're concerned about cases of contrived or fraudulent transactions," said Martin Scott, Group Manager Assurance.

"We're aware some people involved in property deals think of trying to make a claim when they've got no right to and the recent increase in GST may provide some further temptation," said Mr Scott.

"The simple message to them is to think again because we've got sophisticated tools for tracking transactions and will be on to them."

Mr Scott said Inland Revenue now has the capability to monitor all property transfers and capture accurate history and information about GST related claims.

"We've had an ongoing focus on property compliance and will be automatically monitoring properties that have been the subject of GST claims. If someone thinks their activity might be overlooked in the huge volume of property transactions they're sorely mistaken."

Mr Scott said as in the past, Inland Revenue will take strong action where it finds fraudulent behaviour and people can potentially face criminal charges.

"First and foremost our aim is to encourage everybody to know the rules and to comply so they won't be running into trouble."

To find out more about property and your tax obligations go to [www.ird.govt.nz/property/](http://www.ird.govt.nz/property/)

For further information contact the team at Coombe Smith for advise on your individual circumstances.