

A green road sign with white text that reads "New Zealand". The sign is mounted on a wooden post and is set against a blue sky with white clouds. The sign has a white border and is slightly tilted.

New Zealand

GST on low value imported goods

Selling goods to consumers in New Zealand?

From **1 December 2019**, overseas businesses that sell **low-value goods** to consumers in New Zealand may need to register for, collect and return **goods and services tax (GST)**

New Zealand GST: The basics

What is it?

- Will apply to sales of low value **imported** goods (LVIG)
- Account for **15 per cent GST** on sales of LVIGs, valued at or below NZ\$1,000
- Made to consumers in New Zealand

When does it start?


- 1 December 2019

To whom does it apply?

- Offshore sellers
- Online market places (Electronic Distribution Platforms)
- Re-deliverers
- With a LVIG sales **turnover exceeding NZ\$60,000** in a 12-month period

GST: When and what to charge?

When GST applies, how much do you charge?

 When determining if GST needs to be charged transport and insurance costs are **excluded**

If you sell multiple low-value goods in a single transaction, collect GST on each low-value good even when the total value of the sale or transaction is over NZ\$1,000


The New Zealand **GST rate is 15%** applied on:

- the low value goods
- transport and insurance for the good leaving its country of export and being delivered in New Zealand
- any other amounts paid by the consumer including any fees

When NOT to charge GST

Suppliers do **not** have to charge GST at the sale when an item is:

- worth more than NZ\$1,000
- a tobacco product
- an alcoholic beverage
- a fine metal

 In these cases GST will still be **charged at the border**, unless there is documentation showing that the GST has already been collected

Requirements for Postal shipments

- There is no current requirement to include the GST number or to indicate whether GST has been paid on the CN22/23
- It is a **legal requirement** to provide the receiver with a receipt which clearly notes your GST number and indicates whether GST has been paid
- We recommend that you include a **receipt and/or commercial** invoice with each consignment to avoid double taxation
- Where GST has been paid and no documentation is available to evidence that payment, New Zealand Customs **may charge the consumer GST at importation**

GST: Registration and submitting returns

How to register?

It will be a 2-step registration process:

- 1 Get an **IRD number**, which can be obtained online at <https://www.ird.govt.nz/activities/apply-for-a-business-ird-number>
 - 2 **Register online** for GST see <https://www.classic.ird.govt.nz/gst/gst-registering/registering-for-gst/registering-for-gst.html>
- Depending on turnover GST returns are filed monthly, two-monthly or six-monthly.

How to file VAT returns?

A GST return has to be filed at the end of every taxable period. You can do this:

- 1 In myIR
- 2 Through accounting software, or
- 3 By paper-based return

Additional information



English:

<https://www.classic.ird.govt.nz/campaigns/2018/gst-policy-update-nz-consumers.html>

<https://www.classic.ird.govt.nz/gst/gst-registering/registering-for-gst/registering-for-gst.html>

<https://www.classic.ird.govt.nz/gst/gst-registering/when-youre-gst-registered/>

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