



Income tax return

Partnerships and look-through companies (LTCs)

IR7 2019

Read the notes on the back or in the IR7 guide to help you complete this return.

1 April 2018 to 31 March 2019

If the partnership's or LTC's name and IRD number are shown correctly above, go straight to Question 3.

1. If the partnership's or LTC's IRD number is **not** shown above, print it in Box 1.
(8 digit numbers start in the second box. **1 2 3 4 5 6 7 8**)

1 ▶

2. If the correct partnership or LTC name is **not** shown above, print it in Box 2.

2 ▶

3. If the partnership's or LTC's **trading name** has **changed** or is **not** shown below, print it in Box 3.

3 ▶

4. If the correct **postal** address is **not** shown above, and is different to the street address below, print the full address in Box 4.
Don't print your tax agent's address here.

4 ▶

Please put street address or PO Box number **above** and suburb, box lobby or RD and town, city or region **below**

5. If the correct **street** address is **not** shown below, print it in full in Box 5.

5 ▶

Please put street address above and suburb or RD and town, city or region **below**

6. Print your business industry classification (BIC) code in Box 6. See notes.

6 ▶

7. If the correct daytime phone number is **not** shown below, print it in Box 7.

7 ▶

8. Is this the partnership's or LTC's **first** return?

No Go to Question 9.

Yes Print the date the partnership or LTC began in Box 8.

8 ▶

Day Month Year

9. Has the partnership or LTC ceased?

No Go to Question 10.

Yes See notes.

If you have no gross income or claimable losses, and no disclosures to make at Question 25, see the notes about nil returns. Then complete and sign the declaration at the end of this return. You don't need to answer any further questions.

Income

10. Did the partnership or LTC receive any **schedular payments**?

No Go to Question 11.

Yes See page 5 of the guide. Print the totals here.

Total tax deducted

10A ▶ \$, , .

Total gross schedular payments

10B ▶ \$, , .

11. Did the partnership or LTC have any **New Zealand interest** paid or credited to it?

No Go to Question 12.

Yes See pages 5 to 7 of the guide. Print the totals here.
Keep any certificates.

Total RWT

11A ▶ \$, , .

Total gross interest - if a loss, put a minus sign in the last box

11B ▶ \$, , .

12. Did the partnership or LTC have any **New Zealand dividends** paid or credited to it, or did the partnership or LTC receive shares instead of dividends? Include any dividends from partnerships, LTCs or trusts.

No Go to Question 13.

Yes See pages 7 and 8 of the guide. Print the totals here.
Keep any statements.

Total dividend imputation credits

12 ▶ \$, , .

Total dividend RWT credits

12A ▶ \$, , .

Total gross dividends

12B ▶ \$, , .

13. Did the partnership or LTC receive any **taxable distributions from a Māori authority**?

No Go to Question 14.

Yes See pages 8 and 9 of the guide. Print the totals here.
Keep your Māori authority distribution statements.

Total Māori authority credits

13A ▶ \$, , .

Total Māori authority distribution

13B ▶ \$, , .

14. Did the partnership or LTC receive any **income from another partnership**? (Exclude any income/losses received you have included at Questions 11, 12, 13, 16, 18, 19.)

No Go to Question 15.

Yes See page 10 of the guide. Print the totals here.

Total partnership tax credits

14A ▶ \$, , .

Total partnership income - if a loss, put a minus sign in the last box

14B ▶ \$, , .

15. Did the LTC receive any **income from another LTC**? (Exclude any income/loss received that you've included at Questions 11, 12, 13, 16, 18, 19.)

No Go to Question 16.

Yes See pages 10 to 13 of the guide. Print the totals here.

Total LTC tax credits

15A ▶ \$, , .

Total active LTC income - if a loss, put a minus sign in the last box

15B ▶ \$, , .

Non-allowable deductions this year

15C ▶ \$, , .

Prior years' non-allowable deductions claimed this year

15D ▶ \$, , .

Adjusted LTC income - if a loss, put a minus sign in the last box.

Either add Boxes 15B and 15C, or subtract Box 15D from 15B.
Print your answer in Box 15E.

15E ▶ \$, , .

16. Did the partnership or LTC receive any **income from overseas**?

No Go to Question 17.

Yes See pages 13 to 16 of the guide. Print the totals here.

Total overseas tax paid

16A ▶ \$, , .

Total overseas income - if a loss, put a minus sign in the last box

16B ▶ \$, , .

17. Did the partnership or LTC receive **income from business activities**?

No Go to Question 18.

Yes See page 16 of the guide. Print the total here.

Net income from business activities - if a loss, put a minus sign in the last box

17B ▶ \$, , .

18. Did the partnership or LTC receive income from rental activities?

No Go to Question 19.

Yes See page 17 of the guide. Print the total here.

Net income from rental activities - if a loss, put a minus sign in the last box

18B ▶ \$, , .

19. Did the partnership or LTC receive any other income? This includes any income from taxable property sales/disposals not already included elsewhere in your return.

No Go to Question 20.

Yes See pages 17 to 20 of the guide. Print the total here.

Name of payer

Total other income - if a loss, put a minus sign in the last box

19B ▶ \$, , .

Type of income

Residential land withholding tax (RLWT) credit. Refer to the RLWT update on page 4

19C ▶ \$, , .

20. Total income/loss

Add Boxes 10B to 14B, 15E and 16B to 19B. Print the total in Box 20.

Total income - if a loss, put a minus sign in the last box

20 ▶ \$, , .

21. Can the partnership or LTC claim expenses?

No Go to Question 22.

Yes See page 21 of the guide. Print the total here.

Total expenses

21 ▶ \$, , .

22. Total income/loss after expenses

Subtract the amount in Box 21 from the total income in Box 20. Print your answer in Box 22.

This amount must be completely attributed to the partners or owner(s).

Total income after expenses - if a loss, put a minus sign in the last box

22 ▶ \$, , .

23. Did the partnership or LTC have any losses extinguished on transitioning from a qualifying company (QC) or loss attributing qualifying company (LAQC)?

No Go to Question 24.

Yes See pages 21 to 23 of the guide. Print the amounts here.

Extinguished losses

23 ▶ \$, , .

Prior years' deductions

23A ▶ \$, , .

Deductions claimed this year

23B ▶ \$, , .

Attribution of income/loss

See page 24 of the guide before attributing income/loss.

24. Attribution of income/loss details attached are for (please tick one):

24 ▶ a partnership (IR7P) a look-through company (IR7L)

Additional disclosure of foreign investments and BEPS legislation

25. If the partnership or LTC calculates CFC or FIF income under Question 16 or is required to provide BEPS information, please read page 48 of the guide. Tick "yes" if additional disclosure is required.

25 No Go to Question 26. Yes Go to Question 26.

Declaration

26. Read this declaration and sign the return.

This is a true and correct return for the year ended 31 March 2019.

Signature

/ /
Date

There are penalties for not putting in a tax return or putting in a false return.

Keep a copy of this return for your own records.

27. What to do next

- Remember - the due date for posting us the return is 7 July 2019, read the notes for more information.
- Attach all necessary papers to the top of this page and make sure the partnership's or LTC's name and IRD number are on all papers.
- All partners and owners must include their share of the partnership or LTC income/loss in their individual tax returns.
- Post the return to us in the envelope supplied, or send to:

Inland Revenue, PO Box 39090, Wellington Mail Centre, Lower Hutt 5045.

Notes

- For information about completing your IR7 return, please read our *Partnership and look-through company (LTC) return guide 2019 (IR7G)*. You can view a copy of IR7G by going to www.ird.govt.nz and selecting "All forms and guides" from the right-hand menu, or by entering IR7G in the search box. You can also order copies by calling 0800 257 773.
- For more information on LTC rules, read our *Look-through companies (IR879) guide*.

Who must file an IR7 return

Every partnership or look-through company (LTC) must file an IR7 return showing their total income after expenses and attach either the *Partnership income/loss attribution (IR7P)* or the *Look-through company (LTC) income/loss attribution (IR7L)*.

The partnership or LTC is not assessed for tax, but each partner or owner is liable for tax on their share of income from the partnership or LTC.

Each partner or owner must file an individual tax return showing all income, including their share from the partnership or LTC.

Filing your IR7 return online

You can file your IR7 return online at www.ird.govt.nz by using the 14-character DLN number at the bottom of your return. If your DLN number is not shown on the return, you can get it by logging in to your online services account.

If you don't have a myIR secure online services account, you can get one by going to our website and clicking on "Register now".

Return due date

If the partnership or LTC has a 31 March balance date, you have until 7 July 2019 to send in the return, unless you've been granted an extension of time. If you have an agent or a balance date other than 31 March this date may be different.

Business industry classification (BIC) code

We're lawfully required to supply the Accident Compensation Corporation (ACC) with a code for your business or trading activity, for levy classification and calculation.

If your BIC code isn't preprinted on the return or is different from the preprinted one, please enter the correct code.

To work out your main business or trading activity and its code, go to www.businessdescription.co.nz

It's important that you choose the code which most accurately reflects your main business or trading activity. If you're unable to identify the correct code, call ACC on 0508 426 837.

Please provide the code only. Don't provide a description.

Has the partnership or LTC ceased?

If this is the final return, include a set of accounts (if required) up to the date the partnership or LTC ceased. Also include details of any distribution of assets and liabilities.

If the partnership or LTC is registered for GST or as an employer, you will also need to complete a *Business cessation (IR315)* form to finalise your records.

Depending on the partnership's or LTC's circumstances, other issues may also need to be finalised, eg, outstanding returns and/or arrears.

Find out how to finalise the partnership's or LTC's tax accounts or deregister for GST at www.ird.govt.nz

Note: An LTC is still a legal entity until it's taken off the Companies Register. An LTC can stop trading but still have tax obligations, eg, filing returns.

Nil returns

Every partnership and LTC must file an income tax return, whether or not it has been active. If there is no gross income to declare, losses to claim, and no disclosures to make at Question 25 (read page 48 of the IR 7 guide) you can file a nil return. You don't need to complete any further questions. Sign the declaration at Question 26.

Have you received any income from the sale/disposal of property?

Show any income from taxable property sales at box 19 of the return, if not already included elsewhere in the return. A *Property sale information (IR833)* may also need to be completed if not already done.

Under the bright-line test for the sale/disposal of property, if the partnership/LTC acquired residential property on or after 1 October 2015 and sold it within the bright-line period, any gain will need to be accounted for.

The bright line period for:

- properties purchased/acquired on or after 1 October 2015 through to 28 March 2018 inclusive, is two years,
- properties purchased/acquired on or after 29 March 2018 is five years.

Residential land withholding tax (RLWT) credit

If a partner had RLWT deducted from the sale or transfer of a residential property located in New Zealand, they'll need to show the full amount of the RLWT in their own individual income tax return. Don't include it in the partnership tax credits.

If the LTC is an "offshore RLWT person" and has sold or transferred residential property located in New Zealand, RLWT may have been deducted from the sale price. The LTC should have received a statement on the completion of the sale process showing the amount of RLWT deducted. The LTC can claim a credit for any RLWT deducted. Show the amount of RLWT deducted, less any RLWT paid back to the LTC and/or transferred to outstanding amounts during the income year.

If there was more than one amount of RLWT deducted, show the combined amount, less any RLWT paid back to the LTC and/or transferred to outstanding amounts during the income year.

Show the name of the LTC's withholder(s) in the "Name of payer" box.

Privacy

Meeting your tax obligations means giving us accurate information so we can assess your liabilities or your entitlements under the Acts we administer. We may also exchange information about you with some government agencies and another country.

For full details of our privacy policy go to www.ird.govt.nz (search keyword: privacy).