



Media Release

17 April 2019

Govt makes the right call on CGT

The Road Transport Forum has welcomed the Government's decision not to go ahead with a Capital Gains Tax.

"Transport operators across New Zealand will be relieved the Government has decided against a Capital Gains Tax," says RTF Chief Executive Nick Leggett. "It had the potential to severely impact NZ businesses."

"A new capital gains tax would have added to the already significant tax burden on transport business and would reduce the investment that business owners could make back into their businesses. There would be less money to hire more staff, invest in professional development and training, purchase more modern equipment and generally make businesses more productive."

"For transport companies a CGT would have covered vehicles, premises, land, equipment and other business assets. The compliance alone would have been extremely onerous."

"With Labour and the Greens being strongly in favour of a CGT it was left to NZ First to argue against it around the Cabinet table and we are glad that they succeeded," says Leggett. "We now hope that the Government can refocus on increasing productivity and growing the economy for the benefit of all New Zealand businesses."

Contact:

Nick Leggett

Mob: 021 248 2175