



**MEDIA RELEASE**  
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## **GOVERNMENT MOVES ON GST WELCOMED BY RETAIL NZ**

Retail NZ has welcomed today's announcement by the Minister of Revenue and the Minister of Customs that foreign websites selling into New Zealand will have to register for GST from 1 October next year.

"For many years, New Zealand retailers have been disadvantaged by the fact that they have to pay GST on sales in New Zealand while foreign websites in direct competition with Kiwi firms do not," Greg Harford, Retail NZ's General Manager for Public Affairs, said today. "This systemic competitive disadvantage has been caused entirely by Government tax policy, and it is fantastic news that the new Government is moving to level the playing field.

"GST is supposed to be a universal tax on consumption in New Zealand, but that has been undermined by the steady growth of online shopping and the rise of foreign websites selling into New Zealand. The previous Government dithered on this issue for many years, and it has seriously impacted New Zealand retail businesses for a long time.

"Retail is a tough business. To be successful, retailers need to offer great products, great prices and an outstanding customer experience across both digital and bricks and mortar channels. Today's announcement isn't a silver bullet for the sector, but it does mean that Kiwi retailers can now focus on delivering great customer experiences, without suffering a competitive disadvantage imposed by Government.

"Retail NZ will be carefully studying the technical discussion paper that Ministers have released today, and is looking forward to resolution of this issue over the coming months."

**For further information, please contact:**

Greg Harford  
General Manager, Public Affairs | Retail NZ  
[greg.harford@retail.kiwi](mailto:greg.harford@retail.kiwi)  
027 243 2842