

High net worth individuals

Migrate to New Zealand
by investing or doing
business in New Zealand



New Zealand is the easiest country in the world to do business in¹. With New Zealand's stable democratic political system, strong legal and judicial institutions, a resilient economy and an abundance of natural resources, investing in New Zealand as a migrant can be your smartest business decision ever, and it comes with a lifestyle to boot.

As a commitment to attracting overseas investment, the New Zealand Government has introduced dedicated investor and business visas to invite migrants with capital and business skills to settle in New Zealand.

Investors

The Migrant Investment (Investor 1 and Investor 2) visa categories are for investors who wish to gain residence in New Zealand. The requirements are summarised below:

Key requirements	Investor Plus (Investor 1 Category)	Investor (Investor 2 Category)
Maximum age	No requirement	65 or younger
Business experience	No requirement	Minimum of three years
Minimum investment funds	NZ\$10 million invested in New Zealand for three years	NZ\$3 million invested in New Zealand for four years*
Principal applicant's English language	No requirement	- an English speaking background, or - an International English Language Testing System (IELTS) test report with an overall band score of three or more, or - a competent user of English
Family member's English language	No requirement	Same as principal applicant or pre-purchase English as a second language tuition
Minimum time in New Zealand	44 days in New Zealand in each of the last two years of the three-year investment period.*	146 days in New Zealand in each of the last three years of the four-year investment period.*
Health and Character	Applicants under both categories must meet health and character requirements	
Acceptable investment	Capable of a commercial return under normal circumstances; not for personal use; invested in New Zealand in New Zealand currency; compliant with relevant laws; has the potential to contribute to New Zealand's economy; for example bonds issued by New Zealand firms, equity in New Zealand firms, residential property development, eligible New Zealand venture capital funds.	

* Applicants who invest in growth-oriented investments may enjoy incentives in these areas. Talk to us to find out more

Entrepreneurs

The Entrepreneur Work Visa Category is for experienced business people who want to be self-employed in their own business in New Zealand. The main requirements for an Entrepreneur Work Visa include:

- a minimum capital investment of NZ\$100,000 (excluding working capital), unless this is waived
- having a business plan specific to the proposed business
- an ability to claim at least 120 points on a scale that awards points for factors relating to the likely success of the proposed business and its value to New Zealand
- not being involved in bankruptcy or business failure within the 5 years preceding the date of visa application
- not being involved in business fraud or financial impropriety
- meeting health, character and English language requirements

Once the Entrepreneur has successfully established a business in New Zealand that realises the benefits outlined in their business plan, and they have operated that business for the required amount of time, they may be eligible to apply for residence under the Entrepreneur Residence Visa Category.

¹ New Zealand topped the 2016 World Bank Doing Business report (ranking 189 economies) for ease of starting a business, protecting minority investors, getting credit and registering property. New Zealand was listed first in Forbes' 2017 Best Countries for Business for personal freedom, Investor protection and (lack of) red tape and second overall.

Overseas investment

New Zealand has an overseas investment regime that requires overseas persons to obtain the consent of the Overseas Investment Office (**OIO**) before they can invest in certain types of assets in New Zealand. These controls are governed by the Overseas Investment Act 2005 and the Overseas Investment Regulations 2005. We can assist with preparing and managing applications for OIO consent on your behalf.

Structuring

There are a number of options available to overseas entities that are considering setting up a business in New Zealand, including:

- incorporating or acquiring a local company (as a local subsidiary);
- registering a branch office of an overseas company; or
- establishing a joint venture or partnership.

Deciding on the most appropriate structure will depend on the relevant circumstances, including the resulting tax consequences for both the new business and the overseas entity. We can advise you on appropriate investment structures from both a legal and tax perspective.

Reporting obligations

All New Zealand incorporated companies and branches operating in New Zealand must disclose limited shareholder and director information on the public register.

A New Zealand incorporated company which is “large” (as defined in the Financial Reporting Act 2013) must also:

- provide an annual report on its affairs within five months of its balance date (including copies of financial statements, details of directors, total remuneration and benefits, details of entries in the company’s interests register etc); and
- prepare financial statements that comply with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

If 25% or more of the voting shares in the company are held by a company (or a subsidiary of a company) incorporated outside of New Zealand or a person not ordinarily resident in New Zealand then, subject to some exceptions, the company must also prepare and register audited financial statements with the Registrar of Companies within five months of the company’s balance date.

Tax

In New Zealand, income tax is levied under the Income Tax Act 2007. In general terms, New Zealand residents are taxed on their worldwide income and non-residents are taxed on income derived from a New Zealand source (there may be tax liability relief or reductions pursuant to any applicable double tax agreement). Investor migrants may not become tax residents in New Zealand initially. Once they do become tax residents in New Zealand, first time migrants can enjoy a four-year tax exemption on the majority of overseas income. Companies are taxed at 28% and individuals are taxed incrementally between 10.5% and 33%. Trusts are taxed at 33%. Foreign trusts are subject to New Zealand tax rules if the settlor is resident in New Zealand, however non-resident beneficiaries of foreign trusts are only taxed on income derived from New Zealand. Certain foreign trusts (e.g., non-complying trusts) are taxed at a rate of 45%.

Goods and services tax (**GST**) (which is a form of value added tax) is charged at a rate of 15% on the supply of most goods and services in New Zealand

There is no stamp duty, social security tax, inheritance or estate tax or gift duty in New Zealand. There is also no general capital gains tax in New Zealand, however some specific types of capital profits are subject to tax (e.g., particular sales of land and personal property).



Employment

Employment in New Zealand is primarily regulated by the Employment Relations Act 2000 (ERA), however there are specific statutes that regulate other employment-related matters such as minimum wages and holidays entitlements.

Employment agreements must be in writing and must contain certain mandatory provisions prescribed by the ERA. A mutual good faith obligation (which requires parties to be responsive and communicative) is implied in all employment relationships. Although union membership is not compulsory, collective bargaining is promoted by the ERA.

A 90-day trial period may be agreed prior to an employee starting work. Outside of any trial period, employment can generally be terminated by an employer for “cause” or on redundancy, and any dismissal should be justifiable and determined after following a full and fair process. Mediation is encouraged as the primary means of settling employment disputes in New Zealand.

Superannuation is not compulsory in New Zealand, however employers must offer all new employees the option to participate in KiwiSaver, a voluntary superannuation scheme governed by the KiwiSaver Act 2006. Under the KiwiSaver scheme, employers must contribute at least 3% of the gross salary or wages of any employee who opts to participate in the KiwiSaver scheme.

All overseas nationals who are not New Zealand residents must have an appropriate visa to work in New Zealand.

Health & Safety and ACC

Workplace health and safety in New Zealand is regulated by the Health and Safety at Work Act 2015 (HSW Act). The HSW Act imposes duties on employers, employees and principals who have engaged contractors, to manage and control risks to health and safety. A breach of the HSW Act is a criminal offence and may result in fines or imprisonment (or both).

New Zealand also has a no-fault accident compensation and rehabilitation insurance scheme (ACC) which provides compensation for work related and non-work related accidental injuries. The ACC scheme is funded by levies paid by employers and employees.

Purchasing Property

All survey and land title information in New Zealand is recorded on an electronic property registration system maintained by Land Information New Zealand (LINZ). Nearly all titles, plans and instruments are searchable in electronic format and subdivisions and transfers of land are registered electronically with LINZ. Contracts for the sale and purchase of land and leases of land must be in writing and signed by both parties or their representatives.

Any proposal to develop or to change the use of land will require the consent of the local authority under the Resource Management Act 1991 (RMA) and/or the Building Act 2004 (Building Act). The RMA regulates the use of land, air and water in New Zealand, whilst the Building Act, in conjunction with the NZ Building Code, regulates the construction of houses and buildings.

We can advise on and assist you with any property acquisition, leasing or development plans you may have.

New Zealand Court System

New Zealand is a common law jurisdiction and has a four-tiered judicial system – starting with the District Courts, then the High Courts, then the Court of Appeal and up to the Supreme Court. There are also other specialised courts which hear certain cases (e.g., the Environmental Court and the Employment Court). Civil disputes are often resolved by negotiation directly between the parties or by mediation.



Nothing worth doing is easy. But we can help make it easier. Let us be your trusted adviser through your journey in migrating to, and investing in, New Zealand.

As an experienced investor or business person, you might have questions on a number of areas at different stages of your journey:

- Do I need to prepare a business plan and if so, what should it include?
- What sort of investments can I make?
- What is the best structure through which to hold my investments?
- Do I need approval to make certain investments in New Zealand?
- How will my investments be taxed in New Zealand?
- Will I become a New Zealand tax resident? Are there any exemptions or planning opportunities?

The list goes on. We understand. We have been advising private businesses and supporting migrants for a long time.

Why us?

Our capability to offer a fully integrated service

We have highly skilled and experienced immigration, tax and legal advisers who can assist you through all aspects of your move to New Zealand. This will typically involve considering the eligibility criteria and determining the best option for you through to preparing and submitting your immigration visa application. We can help you identify business opportunities and develop a business plan which may also be required to support your application. Obtaining any required investment appraisals, putting in place business structures, attending to all your legal needs and managing tax registrations and compliance are all part of the services we can provide before, during and after your move.

Our flexibility to offer a bespoke offering

Some clients prefer to pick and choose the areas they'd like us to look after. It may be that you just need an hour of our time to get some advice on whether your circumstances meet the policy requirements; or you may want a detailed understanding of your international tax exposure. Whatever your needs are, we can tailor a package to suit you.

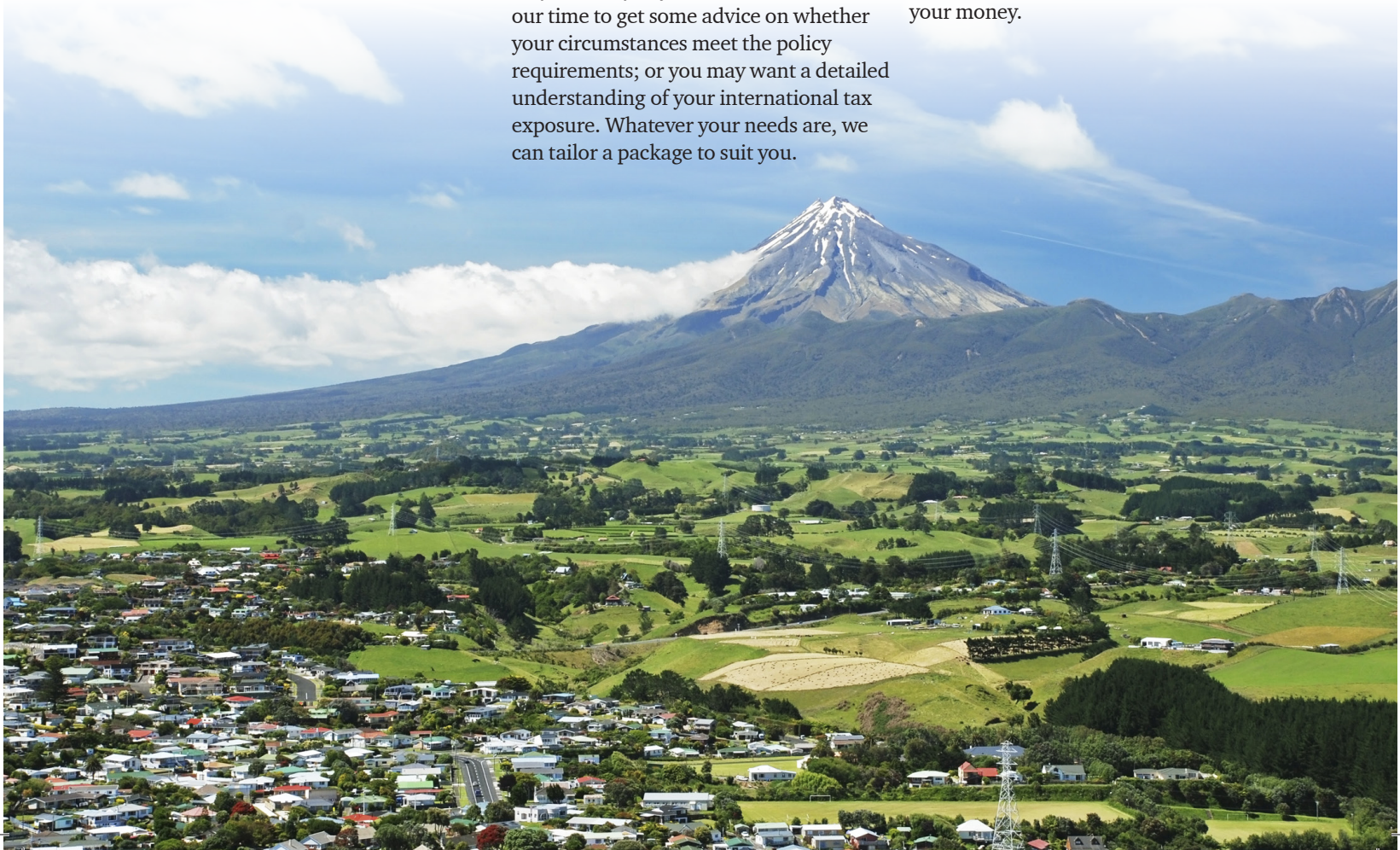
Our extensive networks

Through the PwC network of firms around the world, and the business contacts that come with that, we'll facilitate connections that would be useful to your business interest. This is particularly powerful to people who might feel they lack the local contacts to optimise business opportunities in New Zealand.

We are often consulted and invited to contribute to the formulation or testing of new immigration rules and tax legislation. This means you'll have access to the latest updates and thought leadership, to enable you to make timely, informed investment decisions.

Our promise of exceptional value

Our fees will depend on the complexity of the service(s) you require and the amount of work that it takes to give you the best possible outcome. We are up front and honest about our fees and are committed to a "no surprises" approach. Whatever your investment needs, we are about providing exceptional value for your money.



Contact details



Robbie Gimblett

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Robbie is the leader of the private business market sector of PwC New Zealand. He has been a partner of the firm since 1997.

Robbie's clients range from small to large across multiple industries in the private business sector. He advises a number of large private groups and their associated high net worth owners.

Robbie has worked on various inbound investments to New Zealand from many different countries.



Michael Tan

Director

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Michael has worked with a number of potential migrants on the accounting and taxation aspects of their nominated business or investments for the purpose of their visa application to Immigration New Zealand.

Michael has significant experience in assisting clients fulfil their accounting, taxation and statutory obligations. Michael's clients include New Zealand operations of large multi-national organisations, businesses headquartered in New Zealand and high net worth individuals and families.

Michael is fluent in Mandarin, Cantonese and English.



Tom Logan

Director

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Tom is a specialist corporate and commercial lawyer with extensive experience in all aspects of domestic and cross-border acquisitions and divestments, due diligence, overseas investment, joint ventures, private equity and corporate restructures. Tom has worked for many years in New Zealand and in London.



Tom McCallum

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Licensed Immigration Adviser 201600215

Tom has a broad base of clients across different industries including high net worth individuals, private businesses, trusts, partnerships, multinationals and limited companies.

He has experience of leading the delivery of global mobility services for large multinational clients. He has also helped many individuals and businesses understand and manage the tax consequences of international moves. Tom works closely with his clients to deliver understandable, practical solutions taking into consideration commercial drivers.



Jaq Chong

Senior Manager

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Licensed Immigration Adviser 201200301

Having migrated from Malaysia to Singapore in 1997, and then from Singapore to New Zealand in 2006, Jaq is no stranger to the migrant experience.

Jaq graduated from the National University of Singapore with a Bachelor of Science with Honours (Real Estate) and then worked in several large organisations across the energy, ICT, entertainment, infrastructure and healthcare sectors before specialising in immigration work. She has a full license with the Immigration Advisers Authority.

Jaq enjoys working alongside the PwC Legal team and the PwC New Zealand tax and business advisers to help clients obtain the best immigration outcomes.

