

TRANSFER PRICING QUESTIONNAIRE: FOREIGN-OWNED MULTINATIONALS

Please complete the following questions based on your 2002 **tax** year. In responding to the questions you may provide separate written comments if you wish to give clarification on any issue or identify assumptions made. Consolidated group information (Qu 12 – 19 below) can be in the currency of the parent company. All other values must be in NZ dollars (as indicated by the column headings).

1 Name of the company

2 IRD No.

3 Address

4 Contact name

5 Telephone and FAX No's

6 E-mail

7 Tax representative

8 Ultimate parent company

9 Tax residence of ultimate parent company

10 Describe the principal activities of the company

11 Describe the principal activities of the ultimate parent company and its consolidated group

The following information is required for the purpose of calculating various accounting ratios for comparison purposes. The intention is to compare the performance of the New Zealand company with that of the consolidated group of the ultimate parent company. If your company is performing below consolidated group levels you may wish to provide an explanatory note.

	This Company NZ\$000	Consolidated Group \$m
12 Shareholders funds (net assets)		
13 Total assets		
14 Total Revenue (excluding interest)		
15 Gross Profit		
16 Total expenses (excluding interest and expenses taken into account in calculating gross profit)		
17 Earnings Before Interest & Tax (exclude extraordinary)		
18 Gross interest expense		

19 Gross interest income

Supplied by associated persons NZ\$000	Supplied to associated persons NZ\$000

Property:

- 20 Raw materials
21 Processed goods
22 Other (specify)
23 Rents, royalties, licence or franchise fees
24 Intangible property (acquired or disposed of)

Services:

- 25 Management and administration
26 Technical
27 Research and Development
28 Commissions

Financial:

- 29 Interest
30 Dividends
31 Insurance
32 Others (specify)

Other transactions:

- 33 Reimbursement of expenses
34 Cost sharing/contribution arrangements
35 Other (specify)
36 **Total associated party transactions**

Section GD 13(7) of the Income Tax Act 1994 sets out 5 methods (listed below) for calculating an arms length consideration for setting transfer prices. Please set against each of the methods the value of transactions where prices have been confirmed by that method (the "Tested transactions"). Where more than one method was used, allocate the value to the predominant method. In addition to the method fields an additional field has been included for untested prices. The "Total Transactions" (fields 43) must equal the "Total associated party transactions" (fields 36) above.

Supplied by associated persons NZ\$000	Supplied to associated persons NZ\$000
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Tested transactions:

- 37 Comparable uncontrolled price method
38 Resale price method
39 Cost plus method
40 Profit split method
41 Comparable profits methods
42 Untested transactions
43 **Total Transactions**

- 44 Has the company provided any goods or services or anything else of value to a

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non-resident associated person for no consideration?
(Tick the box if the answer is YES)

If the answer is yes please provide details.

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- 45 What is the value of transactions with associated persons tax resident in
Fifth Schedule countries (Refer to attached list).
Total value for all such associated party transactions - \$000
- 46 Have there been any material structural changes in the last five years which have resulted in a reduction of business functions, assets held and risks borne by the New Zealand operations?
- 47 If the company has entered into a partnership, a joint venture or a profit or revenue sharing arrangement with a non-resident associated person, please supply details of the arrangement.
- 48 If there are a number of companies in New Zealand which, together with this company, form a group for tax purposes, please provide a list of the names of the other group companies on a separate schedule.
- 49 How many staff does this company employ?
- 50 How many staff earn more than \$100,000 pa (including benefits)?

For this company (including the New Zealand group if there is one) and the consolidated group please provide the following information:

	N.Z. Group N Z \$000	Consolidated Group \$m
51 Total group debt	<input type="text"/>	<input type="text"/>
52 Total group assets	<input type="text"/>	<input type="text"/>

The detailed basis for calculating these amounts is contained in section FG 4 of the Income Tax Act 1994.

- 53 Has documentation been produced in support of your transfer prices?
(Tick the box if the answer is YES)

Additional information on appropriate documentation can be found in the appendix to the IRD Tax Information Bulletin: Volume 9 No. 10 (October 1997)

- 54 Have any associated party transactions been the subject of an advance pricing agreement in another jurisdiction? (Tick the box if the answer is YES)
- 55 Are you giving consideration to applying for an advance pricing agreement in New Zealand? (Tick the box if the answer is YES)
- 56 Name of officer providing this information:
- 57 Position: