

Your prescribed investor rate (PIR) is the rate at which the Scheme is taxed on the income attributed to you. Tax on your attributed investment income from the Scheme is calculated and paid by the Trustee to Inland Revenue, so you do not need to report your Scheme earnings on your personal tax return as long as you have provided us with the correct PIR. There are three PIRs: 28%, 17.5% and 10.5%.



- The term 'PIE Income' means your net PIE income for the year and this is the total amount of income less the total amount of loss attributed to you in that tax year by PIEs (including this Scheme) as set out in the year-end tax certificates you receive from those PIEs.
- Taxable income includes non New Zealand sourced income even if you were not resident in New Zealand when it was earned. New residents can elect out of this treatment in some cases (see [www.ird.govt.nz/toii/pir/](http://www.ird.govt.nz/toii/pir/)) for more information.
- All investors only qualify for one PIR rate. You need to advise us of your PIR otherwise the default rate of 28% will apply.
- If you are eligible for a lower PIR but notify a higher PIR to us in error, Inland Revenue will not refund any excess tax we pay on your behalf.
- If the PIR you notify to us is lower than the correct rate that applies to you then you will be liable for any resulting tax shortfall at your marginal tax rate (plus any penalties and interest), and may be required to file a tax return.
- If you are unsure of your income we recommend you contact your employer(s), your accountant or Inland Revenue.
- For the period from 1 April 2019 to 31 March 2020 you would calculate your PIR based on income for the year to 31 March 2018 and the year to 31 March 2019.