

Unit 2, 71 Gloucester Street  
Christchurch 8013

Tel: +64 3 365 6900  
Fax: +64 3 365 7333  
www.midgleys.co.nz



**Midgley Partners  
Home Office - Questionnaire**

**HOME OFFICE CLAIM  
2019**

Client Name: \_\_\_\_\_

**WP / P**

**Income Tax Year:** 31 March 2019

Property Address \_\_\_\_\_ (owned/rented)  
delete one

**1) Expenses**

Electricity / Gas	\$
Insurance	\$
Mortgage Interest	\$
Rates & Water Rates	\$
Rent paid to landlord (if home not owned)	\$
Repairs and Maintenance – please list:- Expense, Type, \$	\$
_____	\$
_____	\$
_____	\$

**2) Apportionment Calculation**

	Garage	House
Area used for business purposes	.....m <sup>2</sup>	.....m <sup>2</sup>
Total Area	.....m <sup>2</sup>	.....m <sup>2</sup>
Apportionment for business purposes	_____	_____ %

**3) Other Notes:** *Please see notes over page*

.....  
.....  
.....  
.....  
.....

Name \_\_\_\_\_ Signature \_\_\_\_\_ Date \_\_\_\_\_

Note:

- 1) Please see over the page for IRD rules relating to the office claim.
- 2) Please let us have a copy of a recent Rates notice.

**HOME OFFICE CLAIM 2019**

## INFORMATION ON HOME OFFICE CLAIM 2019

### Extract from “New Zealand Master Tax Guide 2015”

#### ¶10-530 Home office expenses

A taxpayer who uses his or her home partly in furtherance of the conduct of a business is entitled to a deduction in relation to that part of the outgoing which relate to the use of the home for the work-related activities, i.e. heat, light, rates, insurance, interest on mortgage, house and contents insurance, furniture, equipment, carpet, repairs and maintenance as well as depreciation. The portion is based on the ratio:

$$\frac{\text{Area used for income-earning activities}}{\text{Total area of home}}$$

Actual toll calls incurred in income-earning activities are deductible, as is a portion of the telephone rental. The portion for the rental is based on the ration of:

$$\frac{\text{Business usage}}{\text{Total usage}}$$

The deduction is allowed under the general permission. The employment limitation would prevent an employee deducting any home office costs. The following factors assist in ascertaining whether, and to what extent, a deduction may be allowed in the absence of application of the limitation:

- when a taxpayer uses his or her home partly in the conduct of a business, a deduction is allowed for an appropriate portion of the outgoings on the home: see *C of IR v Banks* (1978) 3 NZTC 61,236 (CA); see also *Case S17* (1995) 17 NZTC 7,127
- it is a question of fact whether there is a sufficient relationship between the income-earning process and the expenditure in question
- it is not necessary for the home to be physically changed to suit the income-earning activities
- since it is not necessary to set aside a specific room, an apportionment based on the size of the room used may not be appropriate, and
- an apportionment based on criteria such as the amount of time spent on income-earning activities at home as well as the area used may be necessary.

When completed, please send with attachments to **Midgley Partners** via:

Post: PO Box 3714, Christchurch Mail Centre, Christchurch 8140 or Email: [office@midgleys.co.nz](mailto:office@midgleys.co.nz)