

From: Cagney Owen
Sent: Monday, 4 May 2026 1:50 pm
To: haveyoursay
Subject: RE: Changes to GST Treatment on Building Research Levies
Attachments: RE: Changes to GST Treatment on Building Research Levies

Please see attached email thread regarding GST now added to Building Research Levy starting 1 July 2026.

Please update F&C.

COMPLIANCE	
Description	2025/26 fee or charge (\$)
Applications for waivers or modifications to means of restricting access to residential pools under section 67A – includes 1 inspection.	740.00
Processing of Section 71/77 Certificate	165.00
Plus on-charge of Solicitors fee to prepare and register certificate. (Actual Cost)	Actual Cost
Certificate of Acceptance - Section 41(c) (1 inspection) Any building work in respect of which a building consent cannot practicably be obtained in advance because the building work has to be carried out urgently.	1020.00
Certificate of Acceptance - Section 96(1)(a) (1 inspection) (i) the work was done by the owner or any predecessor in title of the owner; and (ii) a building consent was required for the work but not obtained. (In addition to the fees that would have been payable had the owner or previous owner applied for a building consent before carrying out the building work)	2030.00
Certificate of Public Use (1 inspection)	705.00
Certificate of Public Use – reissue for extension of time (1 inspection)	360.00
Notice to Fix (1 inspection)	490.00
Accreditation Levy (consents valued over \$20,000) For every building consent with an estimated value of \$20,000 and over, \$1.75 per \$1,000 is payable	1.75 per \$1,000
Building Research Levy For every building consent with an estimated value of \$20,000 and over, \$1.00 per \$1,000 is payable	1.00 per \$1,000
MBIE Levy For every building consent with an estimated value of \$65,000 and over, \$1.75 per \$1,000 is payable	1.75 per \$1,000

Cagney Owen | Compliance Administrator
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LATE FC Submission No. 001

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From: Rajeshwari Mahadevappa
Sent: Monday, 4 May 2026 1:45 pm
To: Cagney Owen; Charmaine Ellery; Hilary Walker
Cc: Charlene Longden
Subject: RE: Changes to GST Treatment on Building Research Levies

Hi Cagney,

Our fees and charges are inclusive of GST except for bonds, penalties and residential housing. So, we need to get this updated. I discussed this with Charmaine, and the best approach is to make a staff submission to fees and charges and explain what needs to be updated in the fees and charges schedule and why.

The consultation closed on 30 April, this means we cannot do online submissions. However, if you can email the submission to haveyoursay@waitomo.govt.nz, we can consider as late submission and update the fees and charges schedule.

Thank you
Raj

Rajeshwari Mahadevappa | Policy Advisor
Waitomo District Council | Kaunihera ā-rohe

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From: Cagney Owen <Cagney.Gallagher@waitomo.govt.nz>
Sent: Monday, 4 May 2026 1:06 pm
To: Charmaine Ellery <Charmaine.Ellery@waitomo.govt.nz>; Rajeshwari Mahadevappa <Rajeshwari.Mahadevappa@waitomo.govt.nz>; Hilary Walker <hilary.walker@waitomo.govt.nz>
Cc: Charlene Longden <Charlene.Longden@waitomo.govt.nz>
Subject: FW: Changes to GST Treatment on Building Research Levies

Hi

MagiQ automatically calculates the levies based on Building Consents and Kat has advised that MagiQ will be updating our system so these changes are implemented 1 July.

Do we need to add this to our F&C for 2026/2027 year?

Cagney Owen | Compliance Administrator

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From: Building Research Levy <buildingresearchlevy@branz.co.nz>
Sent: Friday, 1 May 2026 1:57 pm
To: WebMail <waitomodc@waitomo.govt.nz>
Subject: Changes to GST Treatment on Building Research Levies

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To whom it may concern,

We are writing to let you know about a change from Inland Revenue (IRD) affecting the Building Research Levy (Levy). From 1 July 2026, Building Consent Authorities will need to charge 15% GST on top of the levy amount.

What is changing?

The *Taxation (Annual Rates for 2022-23, Platform Economy, and Remedial Matters) Act 2023* revised the GST treatment of levies, including the Building Research Levy collected by BRANZ, to treat such levies as consideration for the supply of services, subject to GST at 15%. Previously, the Building Research Levy was not a consideration for the supply of services and therefore was not subject to GST under section 8(1) of the Goods and Services Tax Act 1985.

BRANZ made a submission to keep the status quo, but IRD declined. The reasoning is detailed on pages 208-209 of the [Officials' Report](#). Now, all Building Consent Authorities must collect the Levy with the addition of GST.

For instance, from 1 July 2026 a \$1,000,000 building consent incurs a 0.1% Building Research Levy (\$1,000) plus 15% GST (\$150). This means that the total to be charged is \$1,150 (inclusive of GST).

When this takes effect

Effective from 1 July 2026, please ensure that an additional 15% GST is charged on every Building Research Levy that is collected in your role as a Building Consent Authority.

Action required

- Update your systems to allow for the additional 15% GST to be collected on Building Research Levies from 1 July 2026.
- Update your website and other documentation to show that the Building Research Levy is subject to 15% GST from 1 July 2026.
- Include a charge of 15% GST on your invoice/taxable supply information issued to the recipient from 1 July 2026.
- Determine for GST purposes whether you would like to opt out of the agency relationship in respect of the Levy under section 60(1AB) of the GST Act and advise us of your decision. If we do not hear back, we will assume you are acting as our agent for GST purposes.
- Where BRANZ and yourself have an agency relationship, do not include the 15% GST charged in your GST return, and include the 15% GST collected in your current monthly remittance of Building Research Levies to BRANZ from 1 July 2026 as a separate line item.
- Where BRANZ and yourself opt out of an agency relationship please issue a buyer created tax invoice or provide buyer created taxable supply information to BRANZ.

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- If you charge an agency fee for collecting the levies, this fee and the GST payable on it should be identified separately in your remittance advice, buyer created tax invoice or buyer created taxable supply information to BRANZ.
- The Minister has previously approved a 3% remuneration rate for agents collecting the Building Research Levy. If you charge a higher rate, please provide a copy of the Minister's explicit approval.
- Provide positive confirmation to BRANZ that you can comply with the actions required in the letter before 29 May 2026. Responses can be sent to buildingresearchlevy@branz.co.nz.

Transitional process

If you are remitting several months of Building Research Levies to BRANZ at once, you will need to provide documentation that shows the monthly splits and the GST collected on any months from July 2026 onwards.

Government's proposals to change funding for building research

In a separate development, you may have seen late in 2025, the Minister for Building and Construction announced Cabinet's proposal to repeal the Building Research Levy Act (1969) that establishes BRANZ as an incorporated society, and merge the Building Research Levy with the Building Levy. Under the proposal, administration of building research funding would move from BRANZ to central government (MBIE). This is a significant change for BRANZ and we are working closely with MBIE on the implications for the organisation and the wider sector. This change is likely to form part of a Building Amendment Bill to progress several government policy developments, expected to be introduced into Parliament later this year.

Apart from the upcoming GST changes described in this letter there is no further action required from your end at this stage. However, we will provide any further updates as soon as we have better understanding of the changes and the timelines for the Bill, its passage through select committee and its date of enactment. If you would like to see more background on this, please refer to our website which details the proposed changes and BRANZ's response to them: <https://www.branz.co.nz/sector-leadership/2026-timeline-of-proposed-changes-to-the-building-research-levy/>

If you have any questions or queries, please contact me on 04 238 1310 or email avon.compton@branz.co.nz.

Yours faithfully,

Avon Compton
BRANZ Finance and Business Performance Manager