

Submission on discussion document: *Increasing the Transparency of the Beneficial Ownership of New Zealand Companies and Limited Partnerships*

Your name and organisation

Name	Richard Anderton
Organisation	AKA Limited

Please select if your submission contains confidential information:

I would like my submission (or specified parts of my submission) to be kept confidential, and attach my reasons for this for consideration by MBIE.

Responses to discussion document questions

1	Do you agree with the nature of the problem? Do you have any views on the size of the problem? Do you have any evidence to support these views?
	Yes, I always try to have a view on important issues
2	What do you think are the benefits from increased transparency of beneficial ownership information?
	For a start, incidences of tax evasion will be likely to reduce
3	Do you have any information on your organisation's current compliance costs to supply or collect beneficial ownership information?
	Do you think your compliance costs would increase, decrease or stay the same under the different options? Would the change be significant?
	No I don't, I won't be compliant, I will most likely close, sell or be put out of business by this legislation. As a sole practitioner it is a joke.
4	What impact do you think the options would have on businesses deciding whether to register as a company or limited partnership?
	I can't attest to what business people will do, if it is global, where are they going to go. All I know as I understand it, if I am not compliant I will be unable to for companies, so they won't be doing it with me.
5	Do you have any comments on our preliminary assessment of the options?
	There are options? I thought it was a done deal

6	What is your preferred option?
	Stay the course, tax illicit activity by decriminalising it
7	What are your views on who should be captured as a beneficial owner of a corporate entity?
	Banks, financial institutions and multi-national companies
8	What information do you think should be collected about beneficial owners?
	Everything applicable to their income derived in NZ
9	What information about beneficial owners do you think should not be publicly available, and in what circumstances?
	What is this obsession that people with means have a right to a greater protection of privacy than anyone else?
10	What are your thoughts on the obligations that should be placed on beneficial owners? Do you have any views on how these obligations should be enforced?
11	When do you think corporate entities should update the beneficial ownership information that they hold?
12	What are your views on the enforcement mechanisms that should be available to the Registrar?
13	Do you think there are any types of corporate entities that should be excluded from the options?
	No exemptions other than industries that obviously have no connection with organised crime and that is a problem in the legislation, there is no definition of crime, is petty crime, organised or crimes by big business and/other states. They can't all be funding terrorism
14	What are your thoughts on how frequently, and in what circumstances, the registers should be updated?
15	What are your views on what verification should be undertaken?
16	What are your views on having a unique identification number for beneficial owners?
17	Do you have any views on whether any changes are needed to the requirements for company

	share registers?
18	Are there any other factors that MBIE should consider?
	Objecting, that would be a start
19	Do you have any thoughts on any additional measures that could be taken to combat the misuse of corporate entities?
	Fine them off the planet
20	Are there legitimate purposes for using a nominee director? What would the implications be if nominee directors were expressly prohibited?
	no
21	Do you have any information about problems with companies or limited partnerships on the overseas registers?
22	Do you think there should be obligations on companies and limited partnerships on the overseas registers to provide information about their beneficial owners?
23	Do you have any information about problems related to TCSPs?
24	Are there any other areas of concern?

Other comments

The Anti-Money Laundering and Countering Financing Terrorism Act as a legislation is a nonsense. To infer that criminals are philanthropic or even altruistic and would give away their ill gotten gains is farcical. No criminal is going to want to contribute funds to terrorism, it is a disruption to business and counterintuitive. Often the businessmen and women operating beyond the law are the very same people operating outside of it. Organised criminals are businessmen, they are capitalists and often better at business than legitimate business operators.

Why foreign banks would be granted an exemption from this legislation is as conspicuous as it is surprising for it is the banks that are the biggest players and benefit the most from the transfer of funds internationally. One can only assume that NZ banks have been granted the same privileges in the foreign territories they operate in.

If you want to redress the distribution of wealth around the world, introduce a Financial Transaction Tax and tax every dollar that leaves a bank account. However, that will never happen because the people at the top of the food chain make the rules. Has anyone ever seen a tax legislation drafted by a working man? I suspect not because they are all drafted and passed by people who have what they believe is everything worth protecting. How is it that Vodafone are allowed to operate for 10 years in New Zealand without paying one single dollar in income tax and don't be fooled by their prospectus, we don't even rate as an autonomous state, we are considered part of Australia and any tax paid by Vodafone was paid to the Australian Tax Office not IRD. How is it that Apple can generate \$750 million in a single year, not have any production plant in NZ and only minimal strategically placed retail stores and manage to have approximately \$720 million in cost of sales? Because we

allow them to dictate both their terms and our terms. Where does all that money go? It goes to the Jersey Islands, a tax haven that currently holds USD\$200 billion in untaxed cash assets. now who is the criminal and who is if not funding it directly but propagating terrorism?

I am ashamed to be a New Zealander and I'm ashamed to be an accountant with this piece of legislation, it is nothing more than a manoeuvre by western governments to secure the resources currently under the Western Hemisphere's control against the developing world masquerading as an anti-terrorism and anti-crime bill. It smacks of neo-liberal rhetoric, the only idea that the neo-liberal movement has come up with apart from the trickle down concept, and we all know how that is working out, is "tough on crime". The reality is quite different, it is very simple and it's far from rocket science; if you want a cut of criminal activity, legalise it, regulate it and tax it; if you want to stop terrorism, distribute the resources of the planet equitably throughout the entire world.

The fact that this question is even being raised is an indication that governments are afraid of multi-national companies, stand up, say no, they don't build anything, they don't contribute anything, they drain the resources of the planet and they will only want more and more. So yes, I fully support increased transparency of beneficial ownership and more aside.