



## COVERSHEET

<b>Minister</b>	Hon Stuart Nash Hon Kris Faafoi	<b>Portfolio</b>	Small Business Commerce and Consumer Affairs
<b>Title of Cabinet paper</b>	Use of Fee Revenue Collected under the Companies Act	<b>Date to be published</b>	1 July 2019

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
Considered by DEV on 3 April 2019	<i>Use of Fee Revenue Collected under the Companies Act</i>	Office of the Minister for Small Business  Office of the Minister of Commerce and Consumer Affairs
3 April 2019	<i>DEV-19-MIN-0065</i>	Cabinet Office

### Information redacted

**NO**

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982.



# Cabinet Economic Development Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Use of Fee Revenue Collected under the Companies Act

**Portfolios**                      **Small Business / Commerce and Consumer Affairs**

On 3 April 2019, the Cabinet Economic Development Committee:

- 1        **noted** that legal advice from the Ministry of Business Innovation and Employment (MBIE) indicates that the use of fees collected to maintain registers under the Companies Act 1993 (Companies Act) to fund the activities of the New Zealand Business Number (NZBN) registrar is outside the scope of the fee-setting powers in the Companies Act;
- 2        **agreed** to retrospectively validate the collection and use, for NZBN registry purposes, of fees prescribed and collected under the Companies Act;
- 3        **agreed** to amend the Companies Act to provide that fees collected under that Act may be used to fund NZBN registry services and related functions, include information and education activity;
- 4        **agreed** to amend the NZBN Act 2016 to insert a regulation making power to enable all or some entities which have been allocated a New Zealand Business Number to be charged fees and levies for NZBN registry services and related functions;
- 5        **agreed** to funding of the NZBN information and education work programme from third party revenue to ensure the continued uptake and effective use of the register from 2019/20;
- 6        **approved** the following changes to appropriations to give effect to the policy decision in paragraph 5 above, with a no impact on the operating balance and net core Crown debt:

Vote Business, Science and Innovation Minister of Commerce and Consumer Affairs	\$m – increase/(decrease)				
	2018/19	2019/20	2020/21	2021/22	2023/23 & Outyears
Departmental Output Expense: Registration and Provision of Statutory Information (funded by revenue other)	-	2.933	2.933	2.933	2.933

- 7 **agreed** to insert a provision by way of Supplementary Order Paper to the Insolvency Practitioners Bill to enable the Registrar of Companies to charge a levy to companies (and other entities that can be liquidated) for the provision of independent oversight of the Insolvency Practitioners regime;
- 8 **invited** the Minister for Small Business and the Minister of Commerce and Consumer Affairs to issue drafting Instructions to the Parliamentary Counsel Office to give effect to the proposals above;
- 9 **agreed** that a Bill giving effect to the solution be:
- 9.1 added to the 2019 Legislation Programme with a category 2 priority (must be passed in 2019);
- 9.2 introduced on Budget night;
- 10 **authorised** the Minister for Small Business and the Minister of Commerce and Consumer Affairs to jointly make decisions on any minor or technical matters that may arise during the drafting process.

Janine Harvey  
Committee Secretary

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**Present:**

Rt Hon Winston Peters  
Hon Kelvin Davis  
Hon Grant Robertson (Chair)  
Hon Phil Twyford  
Hon Dr Megan Woods  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Stuart Nash  
Hon Iain Lees-Galloway  
Hon Jenny Salesa  
Hon Damien O'Connor  
Hon Shane Jones  
Hon Kris Faafoi  
Hon Julie Anne Genter  
Hon Eugenie Sage

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV

**Hard-copy distribution:**

Minister for Small Business  
Minister of Commerce and Consumer Affairs