TAX RISK MANAGEMENT POLICY

Section	Finance
Contact	Chief Financial Officer
Last Review	November 2025
Next Review	November 2028
Approval	C25/44
Effective date	November 2025

Introduction:

Massey University (including its owned New Zealand subsidiaries) is exempt from New Zealand income tax. However, Massey University is registered for GST, is liable for FBT and withholding taxes, and must deduct employment-related taxes and other levies (such as PAYE, ACC levies and KiwiSaver deductions). In New Zealand, the tax risk focus is primarily these operational tax types.

Notwithstanding Massey University's New Zealand income tax exemption, it may have income tax (and operational tax) obligations in overseas jurisdictions due to operations or employee presence in those countries and regions. Tax risk may also arise in relation to ventures entered with non-tax exempt third parties, both in New Zealand and overseas.

Purpose:

The purpose of this policy is to document Massey University's expectation of how tax and tax risks should be managed within Massey University and to guide management as to what level of tax risk is acceptable.

Policy:

Responsibility for tax governance monitoring has been delegated by the Council to the Finance and Assurance Committee FAC).

The Council, through FAC, has set the following overarching objectives for Massey University with respect to tax:

- Massey University should maintain a low appetite to tax risk; any exposure to tax underpayment and Reporting Risk and Tax Reputation Risk should be minimised. Management responsible for the tax function should act in accordance with this approach to effectively manage overall tax risk.
- Ensuring Massey University complies with all tax laws applicable to its activities in all relevant jurisdictions it operates or has a presence in.
- Ensuring there is appropriate engagement at all levels of the organisation to ensure that tax risk is effectively managed and reported on.
- Ensuring that external tax advisor assistance is sought, where applicable, to ensure potential tax risks are well understood, and any tax positions that will be taken are robustly supportable and will not damage the organisation's reputation with tax authorities or the wider public.
- There is regular reporting on tax matters both within the university and to the FAC. The scope and frequency of such reporting is detailed in the Tax Risk Management Framework.

The Tax Risk Management Framework contains details as to how tax risk is to be managed.

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The Tax Risk Management Framework must be reviewed every three years by FAC, with input from Management. Any changes to Massey University's broader risk management framework, including due to changes in its operations (if any), and changes to legislative requirements, which have an impact on tax should be incorporated into this framework.

Implementation of the Tax Risk Management Framework is the responsibility of the DVC University Services (DVC US), and all Taxation functions must operate in accordance with the approved framework.

Audience:

All staff

Relevant Legislation and Legal Compliance:

Income Tax Act 2007
Goods and Services Act 1985
Crown Entities Act 2004
Education and Training Act 2020
Public Finance Act 1989

The Tax Risk Management Policy of the university must be prepared, interpreted, and acted upon in compliance with the above legislation.

Related Procedures and Documents:

Tax Risk Management Framework
Delegations of Authority Policy
Tax Manual

Document Management Control:

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