




# A tax system for all of us

Contributing fairly to society

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 Green



**The Green Party's tax plan will make sure the super-rich and big corporations contribute their share, reduce tax on salaried and waged workers, and fund the critical social services we all rely on.**

A warm and safe home, affordable food and power, well-resourced schools, quality health care when you need it. A thriving environment that underpins it all. These are the building blocks of a healthy society.

**Our economy is the largest it's ever been. There is more than enough in Aotearoa for everyone to live a good life. But right now, it doesn't feel that way. Critical social services are failing. The cost of the basics are through the roof – and so are the profits of the largest supermarkets, power companies, and banks.**

Giant corporates and the super-rich are making record margins while avoiding contributing their fair share of tax to the society they profit from. That means our country is being starved of the things we all need – GPs and hospitals, schools and teaching resources, roads and public transport.

**The problem isn't the size of the economy, it's the rules, and the Green Party has plans to change them. The Big Rip-off ends here.**

When a small group controls the majority of money, property, and business, everyone else is forced to compete for what's left. This pushes up prices, weakens wages, and makes it harder for ordinary people to make ends meet. Ultimately, it corrodes democracy.

Multi-national corporations send massive profits offshore and avoid paying the taxes that local businesses do. A rich-lister with a luxury yacht and helipad pays half the effective tax rate of a registered nurse. The super-rich pass this resource and power down tax-free, entrenching inequality through the generations. None of this is fair. We can choose to fix it.

The Green Party has a plan to ensure the super-rich and mega-corporations contribute their share to the society they profit from. Everyone will have the opportunity to thrive. We will all benefit from properly funded public services. Business owners will know that good ideas and hard work are enough to succeed. Young people will have confidence that their future is here at home with friends and family. The essentials will be affordable, and a good life will be in reach.

The Green Party is the only party willing to tackle corporate greed and fix New Zealand's tax settings so everyday New Zealanders get a better deal.

## The Green Party will:

- **Address inequality**
  - Introduce a 2.5 percent tax on the net assets of the super-rich above \$10 million. There will be an exemption for family homes.
  - Implement a Capital Acquisitions Tax on assets and gifts received worth over \$1 million, with family farms and family homes exempted.
- **Tackle corporate greed**
  - Return the corporate tax rate to 33 percent for the 0.7 percent biggest corporations, like the supermarket duopoly, energy companies, and banks.
  - Keep the corporate tax rate at 28 percent for small and medium enterprises, levelling the playing field for local businesses.
  - Introduce a Bank Levy of 0.06 percent on the liabilities of the four big banks, like Australia has.
  - Make big tech companies pay their fair share by enforcing the 5 percent withholding tax rate on the profits they send offshore.
  - Reverse Luxon's landlord tax cuts and the changes to the brightline test.
- **Create fair income tax rates for people earning wages or salaries**
  - Create a new tax-free threshold of \$10,000, giving 96 percent of New Zealanders a tax cut.
  - Create a new tax rate for income over \$160,000.

## Addressing inequality

**Decisions made by people in power have created and sustained an ever-increasing inequality gap that makes life harder for the working people who drive our economy.**

**The richest 311 households in Aotearoa pay an effective tax rate of just nine percent, less than half that of ordinary working people.** This means that when tax on all sources of income is calculated, these people pay a lower rate than New Zealanders on minimum wage, and half that of our nurses, hairdressers, teachers, and tradies.

This man-made problem has been getting worse.

Money buys hundreds of thousands in donations to political parties that promise to never raise the taxes of the rich.

Money that the super-rich sit on stays stagnant in asset portfolios – it doesn't circulate in our economy in productive small businesses, creating jobs, fixing infrastructure, or doing things that make Aotearoa a better place to live.

Government after Government have made funding cuts to our public services, asking nurses, climate scientists, and social workers to do more with less.

The super-rich won't miss having a second luxury yacht or a helicopter pad. But New Zealanders see and feel the ever-increasing wait times in emergency departments, leaking pipes, polluted beaches, and decrepit classrooms.

**The Green Party will implement a 2.5 percent annual tax on the net assets of the super-rich worth more than \$10 million. This means the richest 0.3 percent of New Zealanders will contribute more to solving the big challenges we face together.**

150 rich-listers own as much as half of all families in Aotearoa - 917,000 households.

**The super-rich pay \$9 tax out of every \$100 they make, but a teacher pays \$22 out of every \$100 they earn.**

**If someone with median wealth donated the same proportion of their wealth as billionaire Nick Mowbray's \$200,000 donation to ACT, they would have donated just \$2.72.**

**One in seven kiwi kids lives in poverty.**

## Without action, current levels of wealth inequality in this country magnify from one generation to the next.

Who your parents are shouldn't determine your life course. Passing on enormous, unearned wealth isn't necessary, or fair – especially if our public services are working as they should, to provide what everyone needs.

In Aotearoa, over \$1.6 trillion dollars in wealth is about to be passed on to the next generation. The transfer of this unearned wealth will entrench the current chasm between rich and poor for another generation without contributing to the rest of society.

**That's why the Green Party will implement a tax on wealth received over \$1 million, with family farms and family homes exempted.**

## Tackling corporate greed

**Big corporations that set up shop in Aotearoa are profiting from society while often making little contribution to it, while New Zealanders struggle to keep up with costs for life's essentials, like food and electricity.**

The four big energy companies had profits up 42 percent in the second half of 2025, while your power bill keeps increasing. Supermarkets are making an excess profit of over \$1 million per day, while mothers are skipping meals so their kids can eat. The banks pocketed a record \$7.22 billion profit in 2024, while families go without butter or milk in the weekly shop to pay back the debt owed from trying to keep up with the cost of living.

In the early 1980s, the corporate tax rate was 48 percent, which was cut aggressively to 33 percent by 1989. National then reduced the corporate tax rate further in 2008, from 33 percent to 28 percent.

Despite all these cuts to the corporate tax rate, there remains no evidence that corporate tax cuts trickle down to increase wellbeing, growth, or investment.

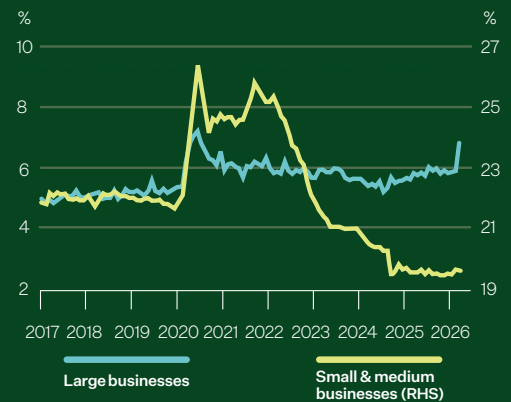
Time and time again, corporate tax cuts lead to a spike in profits, but not cheaper prices, better wages, or more jobs.

Small businesses make up 97 percent of all enterprises in Aotearoa; but their share of the economy has been declining, with big corporations picking up the difference.

We need to support productive businesses that employ New Zealanders and reduce the concentration of market power that big corporates take up.

Figure 1.4

### Business deposits by firm size (share of nominal GDP)



Source: Stats NZ, RBNZ Bank Balance Sheet survey, RBNZ calculations.

Further, big American tech companies that make billions in profit like Google, Microsoft, Facebook, Uber, Visa, and Mastercard, use loopholes to avoid their tax responsibilities in Aotearoa.

Reducing the corporate tax rate has not led to any measurable, meaningful improvement for working New Zealanders. It reduces the collective pool of resource that pays for things we all use and need.

### The Greens will:

- Return the corporate tax rate to 33 percent for the 0.7 percent biggest corporations, like the supermarket duopoly, energy companies, and banks.
- Keep the corporate tax rate at 28 percent for small and medium enterprises, levelling the playing field for local businesses.
- Introduce a Bank Levy of 0.06 percent on the liabilities of the four big banks.
- Enforce the 5 percent withholding tax rate on service and licence fees to make big tech companies pay their fair share.

While the current Government cuts public services and talks about constrained revenue, in 2024 they changed the law to allow landlords to deduct their mortgage interest from their taxable profits, and reversed the previous Government's changes to the brightline test. This gave a \$3 billion tax cut to landlords.

This means housing speculators and landlords can spend more on house-buying than first home buyers, because they know they can get the interest paid on their mortgage back in their tax bill.

The Government's changes to the threshold on the brightline test, the tax you pay when you buy and sell an investment property and make a profit, now mean this only has to be paid when selling an investment property within two years of purchase, instead of within ten years under the previous settings.

It means property speculators can buy and sell houses and not pay tax on the increased value of their property. Meanwhile, people who work for a living must pay tax on all income they receive.

When property investors treat New Zealand's houses like a game of monopoly, it makes it harder for working people to buy their first home. We need to stop incentivising this behaviour through unfair tax breaks.

Landlords and property speculators shouldn't get special treatment over regular people earning wages and trying to pay off their mortgages.

**The Green Party will reverse the landlord tax cuts and the changes to the brightline test.**

## Fair income tax for working people

**People working for a salary or wage pay double the effective tax rate of the very richest people in Aotearoa.**

Instead of prioritising tax cuts for landlords and corporations, the Green Party is prioritising fair income tax rates for the ordinary New Zealanders who build our economy and keep it running.

**The first \$10,000 you earn each year will be tax-free. This will especially help the people who earn the least.**

Aotearoa has low income taxes for people who earn high salaries compared to most other countries and compared to many times in our own past.

The tax system should be fair, and progressive. People who don't make much money should pay less, while those who earn lots can contribute a bit more.

We are all better off when those with the least get help to access the basics, and when people in our communities don't have to live in hardship.

**The Green Party will create a new top tax bracket of 45 percent on income over \$160,000 or more.**

# How a tax system for all of us will work

## Addressing inequality

### Taxing the super-rich

The Green Party will introduce a 2.5 percent annual tax on net assets above \$10 million - things like properties, companies, or shares (not income from wages and work). The family home will be exempt from the tax.

For an individual with net assets above \$10m, or \$20m for a couple (minus mortgages and other debt), a 2.5 percent annual tax will apply on those assets.

The tax on the super-rich would cover most forms of wealth and assets, like property, shares, and bonds. These assets have known values because they are traded often.

Super high value property such as artworks worth more than \$50,000 will be valued and included based on what they are insured for.

Māori land under the Te Ture Whenua Māori Act would be exempt, and so would the assets of Post-Settlement Governance Entities, such as land returned under a Treaty Settlement or vested in a Treaty Settlement Entity. The assets of charities, NGOs, clubs, and other entities would also not be part of anyone's individual taxable wealth.

Wealth held in trusts will be apportioned to an individual's taxable wealth, based on their interest in the trust. For discretionary trusts, the settlor of the trust will be liable for the trust's net wealth. For fixed-interest trusts, the net wealth of the trust will be apportioned to each beneficiary's tax liability per their interest in the trust.

### Capital Acquisitions Tax

Like most other countries in the world, Aotearoa used to have a well-functioning inheritance tax system that helped ensure we could keep strong public services available to all New Zealanders. It was disestablished by a National Government in sweeping 1990s reforms which triggered the hyper-speed escalation of child poverty, homelessness, and wage suppression experienced today.

The Green Party will introduce a 33 percent tax on inheritance and gifts valued above \$1 million, with small gifts, family farms and the family home exempt from the tax. The person receiving the inheritance or gift will pay the tax, not the estate or person passing it on. It would apply to approximately 1,100 people a year.

This would mean someone gifted a family home worth \$1.5 million and \$250,000 in shares, for example, would be exempt from the tax, as the family home is exempted and the remaining inheritance is under the \$1 million threshold.

If someone was gifted a family home worth \$1.5 million and a further \$1.25 million in shares and bonds, they would pay a 33 percent tax on \$250,000 – the value over \$1 million excluding the family home.

The 33 percent rate matches the base tax rate for income earned by a trust and income earned by the estate of someone who has recently died.

Transferring Māori land under the Te Ture Whenua Māori Act would be exempt and so would any transfer of assets of Post-Settlement Governance Entities, such as land returned under a Treaty Settlement or vested in a Treaty Settlement Entity.

Addressing inequality – Revenue				
Policy	2027/28 (\$m)	2028/29 (\$m)	2029/30 (\$m)	2030/31 (\$m)
Super-rich tax	\$3,762	\$3,883	\$4,008	\$4,137
Capital Acquisitions Tax	\$953	\$1,001	\$1,051	\$1,103

## Tackling corporate greed

### Big corporations tax

The corporate tax rate will be increased from 28 percent to 33 percent for big companies with annual turnover exceeding \$30 million. This will impact about 0.7 percent of businesses.

Examples of the kinds of corporations that would pay this tax are banks, supermarkets and energy companies.

This threshold is based on Inland Revenue’s definition of a large business.

### Major banks levy

Banks in Aotearoa are some of the most profitable anywhere in the world. And most of that profit – our money – ends up going offshore.

The Green Party will implement an annual levy of 0.06 percent on the total liabilities of banks who have more than \$100 billion in liabilities. This is in line with the equivalent levy Australia has in place on their banks, and would capture the four large Australian-owned banks – ANZ, ASB, BNZ, and Westpac.

The purpose of this is to address the fiscal risks of highly leveraged banks to the economy in Aotearoa, the high profitability of the big banks, and level the playing field for smaller competitors such as KiwiBank.

### Big tech tax

Big tech companies like Google, Facebook, Amazon, and Microsoft will all be required to pay the five percent withholding tax rate on the profits they send offshore.

Currently, these companies use service fees and license fees to reduce their taxable profits paid in NZ by shifting profits to offshore subsidiaries. These fees are often, in substance, royalties that are supposed to be subjected to withholding taxes.

This would also apply to companies like Netflix and credit card companies who use a ‘service company model’ where the local subsidiary operates as a marketing and support service to an overseas group company, with the sales booked offshore.

This enforcement action would apply to all companies who misclassify royalties as service fees and license fees, not just the big tech companies listed as examples.

We’ll also fund Inland Revenue to implement transparency work to crack down on multinational tax evasion.

### Reversing the landlord tax cuts

This would remove interest deductibility for residential property investment and restore the bright-line test period to 10 years.

The bright-line test will require income tax to be paid on gains from selling residential investment property if sold within 10 years of being purchased. The current timeframe is 2 years, but it was 10 years under the last Labour Government. **This does not apply to the family home.** The profit from the sale is applied to the seller’s annual personal income and taxed at the marginal income tax rate.

Property investors will no longer be able to deduct mortgage interest against their rental income to determine their taxable net profit.

## Addressing inequality – Revenue

Policy	2027/28 (\$m)	2028/29 (\$m)	2029/30 (\$m)	2030/31 (\$m)
Big corporations tax	\$1,370	\$1,436	\$1,502	\$1,570
Major banks levy	\$373	\$388	\$404	\$420
Big tech tax	\$204	\$214	\$223	\$233
Reversing bright-line test changes	\$45	\$45	\$45	\$45
Reversing landlord tax cuts	\$876	\$922	\$970	\$1,003

This removes a key tax advantage for property investors and levels the playing field for renters and first-home buyers. This will have no impact on owner-occupiers – only leveraged property investors.

## Fair income tax for working New Zealanders

The Green Party will reset our income tax settings so they are fairer. Under our plan, 96 percent of New Zealanders will get an income tax cut, including the first \$10,000 you earn being tax-free.

We will step progressive tax brackets between the \$10,000 and \$160,000 thresholds, including a 45 percent threshold for income above \$160,000.

Everyone earning under \$160,000 per year will receive a tax cut, with those earning the least benefiting most.

This means that everyone will benefit from paying zero tax on the first \$10,000 of income they earn, they will pay just 10 percent on the income they earn between \$10,000-\$19,999, and so forth. Only the portion of income earned over the \$160,000 threshold would be taxed at 45 cents to the dollar.

Our income tax thresholds		Current income tax thresholds	
\$0-\$9,999	0%	\$0-\$15,600	10.5%
\$10,000-\$19,999	10%	\$15,601-\$53,500	17.5%
\$20,000-\$39,999	17.5%	\$53,501-\$78,100	30%
\$40,000-\$59,999	25.5%	\$78,101-\$180,000	33%
\$60,000-\$79,999	30.5%	\$180,001 and over	39%
\$80,000-\$159,999	33.5%		
\$160,000 and over	45%		

What our income tax settings mean for your paycheck	
Gross annual income	Change in weekly income
\$10,000	\$20
\$40,000	\$27
\$70,000	\$11
\$90,000	\$10
\$150,000	\$4
\$170,000	\$-20
\$200,000	\$-66
\$300,000	\$-181

Fair tax for working New Zealanders - costs				
Policy	2027/28 (\$m)	2028/29 (\$m)	2029/30 (\$m)	2030/31 (\$m)
Tax setting changes	\$-2,335	\$-2,439	\$-2,557	\$-2,680

## Total tax fiscals

Policy	2027/28 (\$m)	2028/29 (\$m)	2029/30 (\$m)	2030/31 (\$m)
<b>Addressing inequality</b>				
Super-rich tax	\$3,762	\$3,883	\$4,008	\$4,137
Capital Acquisitions Tax	\$953	\$1,001	\$1,051	\$1,103
<b>Tackling corporate greed</b>				
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Reversing bright-line test changes	\$45	\$45	\$45	\$45
Reversing landlord tax cuts	\$876	\$922	\$970	\$1,003
<b>Fair tax for working New Zealanders</b>				
Tax setting changes	\$-2,335	\$-2,439	\$-2,557	\$-2,680
<b>Implementation and enforcement</b>				
Funding for Inland Revenue	\$100	\$102	\$104	\$106
<b>Total</b>	<b>\$5,347</b>	<b>\$5,552</b>	<b>\$5,749</b>	<b>\$5,937</b>

### Modelling assumptions

The calculations for the income tax, corporate tax changes, capital acquisitions tax, super-rich tax, reversing bright-line test changes and landlord tax cut revenues were done with models created by the Parliamentary Library.

Data for the models were sourced from Inland Revenue's systems of personal income tax returns, the 2024 Annual Enterprise Survey data, Stats NZ Labour Market Statistics data, Stats NZ Household Net Worth statistics, Stats NZ National Accounts data, Stats NZ Births and Deaths data, Budget 2024 costings, data from the Reserve Bank of New Zealand for residential mortgages, the Treasury's data on the Revenue Effect of Changes to Key Tax Rates, Bases, and Thresholds for 2019/20, the BEFU 2025, and the HYEFU 2025.

Modelling the behavioural response to a change in the tax system is beyond the scope of these models. However, an adjustment has been made for likely avoidance and evasion when collecting a net super-rich tax.

The model assumes that 28.5 percent of any such revenues will be foregone, which is based on advice from the Parliamentary Library and informed by Treasury advice.

Changes to various taxes will have flow-on effects for other tax revenue. Reducing overall income tax revenue would likely increase GST and corporate tax revenue, for example. These are uncertain and have not been included in our modelling.

Costings for the big tech tax enforcement are based on the work of Tax Justice Aotearoa and CICTAR to calculate the potential annual yield of enforcing withholding tax on the fees that are, in substance, royalties of Facebook, Amazon Web Services, Google, Microsoft, Visa, Mastercard, and Uber. Many other multi-national companies that could also be covered by this enforcement action have not been costed, so the potential revenue is likely greater.

Costings for each policy have been projected through to the end of 2031 and are estimates only based on the best available information.

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