

## New Zealand Digital Advisory Group Meeting Minutes & Actions

Thursday 22 February 2024

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| <b>Attendees:</b>   | <p><b>Co-Chairs:</b> Anil Srinivasa (Inland Revenue)</p> <p><b>Members:</b> Chris Mar (Datacom), Don Hounsell (MYOB), Edwin McLean (The Access Group), Eric Troebner (Tax Management NZ), Jason Langworthy (Xero), Katherine Truman (SAP), Kathryn Cavanagh (ReadyTech), Katie Leitch (MYOB), Matt Webb (MyMahi), Mike Behling (Taxlab), Robert Rolls (Afirmo), Tim Kirkpatrick (Tax Traders).</p> <p><b>Secretariat:</b> Maggie Leese (DSPANZ).</p> <p><b>IR Participants:</b> Dan Blank, Glenn Richards, Mark Tapara, Rian Shearman, Richard Braae, Shantanu Dutta.</p> <p><b>Guests:</b> Fiona Chesney (Inland Revenue), Julie Christensen (Inland Revenue).</p> |
| <b>Apologies:</b>   | Allen Knight (DSPANZ), Nick Wilkins (Inland Revenue).   |
| <b>Attachments:</b> | <a href="#">DAG Charter (updated 22 February 2024)</a>  |

| Item | Description  |
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| 1    | <p><b>Welcome and karakia</b><br/>Anil Srinivasa welcomed all members to the meeting and opened with a karakia. Apologies for the meeting were noted.</p>  |
| 2    | <p><b>Acceptance of previous minutes</b><br/>Anil Srinivasa moved to accept the minutes from the meeting on <a href="#">12 October 2023</a>. The minutes were taken as read and accepted.</p>  |
| 3    | <p><b>Action item review</b><br/>20.04.2023-2: DSPANZ will provide an update out of session about kicking off a terms and conditions working group.</p> <p>12.10.2023-1: The tax working group item was covered in the meeting agenda.</p> <p>12.10.2023-2: Anil Srinivasa provided an update on behalf of Nick Wilkins about a formal agreement between Inland Revenue and DAG members. It was agreed that a formal NDA was not appropriate for the group. Moving forward, Inland Revenue and DSPANZ will provide sufficient guidance on the confidentiality of</p> |

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|   | each agenda item within meetings, packs and materials. Members must also ensure that any proxies are aware of confidentiality requirements.  |
| 4 | <p><b>Introductions</b></p> <p>Anil Srinivasa introduced the DAG, including its purpose and associated working groups. The DAG is focused on strategic items, with operational items discussed in appropriate working groups. Members of the group then introduced themselves.</p>   |
| 5 | <p><b>Charter review and member expectations</b></p> <p>Maggie Leese provided an overview of the updates to the DAG charter and the refreshed member expectations. The group accepted the updated charter. A copy of the charter will be circulated alongside the minutes. Please contact Maggie if you have any questions about the charter.</p>  |
| 6 | <p><b>Inland Revenue &amp; Digital Ecosystem Strategy Update</b></p> <p>Anil Srinivasa provided an update on Inland Revenue’s Digital Ecosystem Strategy. The Digital Ecosystem team is undertaking more work on the Strategy and will provide a further update at the May DAG meeting.</p> <p>In the meantime, the Digital Ecosystem team will focus on the first of their three horizons, which will include:</p> <ul style="list-style-type: none"> <li>● Improving the service management process</li> <li>● Reviewing the intermediary regulatory framework</li> <li>● Working on a consents and permissions framework</li> <li>● Identifying and implementing quick win opportunities that introduce benefits to taxpayers</li> <li>● Growing use of the improved Transaction Data Services (TDS) product.</li> </ul> <p>Dan Blank provided an update about TDS being available more widely. DSPs can contact Mark Tapara if they are interested in learning more.</p> |
| 7 | <p><b>Policy Update</b></p> <p>Richard Braae updated members on the regulatory framework for intermediaries. Richard noted the project is in its early stages and is engaging with internal teams and external stakeholders. The project will ultimately propose legislative changes to enable more participants in the digital tax ecosystem.</p> <p>Richard will take the feedback provided by members on board and noted this work will be an ongoing topic of conversation. Richard also shared he will attend DAG meetings moving forward to connect the group to the policy team.</p>  |
| 7 | <b>BREAK</b>   |
| 8 | <p><b>Introducing Mandatory Multi-Factor Authentication</b></p> <p>Dan Blank shared Inland Revenue’s intention to introduce mandatory two-step verification (2SV) and how this change may impact existing processes. Dan will provide a further update to the group later in the year.</p>   |

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| 9  | <p><b>Data Minimisation and Retention</b><br/>Maggie Leese and Matthew Prouse provided members with a presentation on the data minimisation and retention work that DSPANZ led in Australia. Once the best practice guidance has been published, a copy will be shared with the DAG.</p> <p>The group agreed in principle to undertake similar work with Inland Revenue and the DAG. DSPANZ and Inland Revenue will have further conversations about expectations and the potential scope of this work.</p> <p><b>Action</b><br/>Anil Srinivasa and DSPANZ will discuss data minimisation and retention further and report back to the group.</p> |
| 10 | <p><b>Establishing an income tax working group</b><br/>Julie Christensen provided a status update for annual changes 24. The delivery is tracking well, however, Inland Revenue is wary of potential changes that could impact delivery.</p> <p>The annual changes working group will now run as a year-round tax working group with Mark Tapara chairing from Inland Revenue. Mark noted that Inland Revenue is waiting on decisions to understand annual changes for 2025 better.</p>   |
| 11 | <p><b>Any other business</b><br/>The group discussed changing the May meeting date to align better with the 2024 Budget. It was decided the meeting would remain on 23 May. The DAG working groups can then organise meetings following the Budget to discuss specific measures. DSPANZ will also share any Budget resources with the DAG.</p>  |
| 12 | <p><b>Meeting close</b><br/>Anil Srinivasa thanked everyone for attending the meeting and closed with a karakia. The next meeting is scheduled for 23 May and will be face to face in Auckland.</p>   |

### Actions

| Date Raised  | Description   | Responsible            |
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| 22.02.2024-1 | Anil Srinivasa and DSPANZ will discuss data minimisation and retention further and report back to the group.  | Anil Srinivasa, DSPANZ |
| 20.04.2023-2 | <p>Circulate more information to DSP members on the purpose of a terms and conditions working group and how to get involved.</p> <p><b>Update 8.06.2023:</b> Allen will send information about a terms and conditions working group shortly.</p> <p><b>Update 18.08.2023:</b> Allen will send information about the</p> | Allen Knight           |

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|              | <p>working group shortly, with findings to be played back at the next meeting.</p> <p><b>Update 12.10.2023:</b> Interested members to contact Allen. DSPANZ to organise a chair and kick off the working group.</p> |                        |
| 12.10.2023-1 | <p>Arrange a further discussion about establishing a permanent tax working group and its interaction with the current working group.</p>  | Inland Revenue, DSPANZ |
| 12.10.2023-2 | <p>Develop a formal agreement (e.g. NDA) between DAG members and Inland Revenue to utilise for the DAG and working groups.</p>  | Inland Revenue         |