

**THE ROLE OF THE NEWTON PREDICATION TEST IN
THE TAX AVOIDANCE METHODOLOGY
- THE IMPACT OF RECENT CASES**

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I. ATTESTATION OF AUTHORSHIP

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person (except where explicitly defined in the acknowledgements), nor material which to a substantial extent has been submitted for the award of any other degree or diploma or a university or other institution of higher learning.


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Rakesh Datt Gosai

II. ABSTRACT

The anti-avoidance provisions of the Income Tax Act 2007 are of immense concern to tax practitioners and the Commissioner of Inland Revenue alike. This is indicated by the huge volume of litigation in this complex area of the tax law.

This dissertation endeavours to introduce the relevant legislation, considers important aspects of the law on tax avoidance, follows the common law developments in this area of the law, and studies the application of the legislation by the Commissioner and the Courts in recent tax cases in New Zealand and abroad.

The dissertation focuses on the elements of tax avoidance and draws the “purpose or effect” element of the tax avoidance legislation and analyses the application of the “*Newton* predication test” in New Zealand tax cases and how the general anti-avoidance has been dealt with in the New Zealand tax cases.

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