



## Supreme Court of New Zealand

**15 December 2006**

### **MEDIA RELEASE – FOR IMMEDIATE PUBLICATION**

**Brent John Gilchrist v The Queen  
(SC 69/2006) [2006] NZSC 109**

### **PRESS SUMMARY**

**This summary is provided to assist in the understanding of the Court's judgment. It does not comprise part of the reasons for that judgment. The full judgment with reasons is the only authoritative document. The full text of the judgment and reasons can be found at [www.courtsofnz.govt.nz](http://www.courtsofnz.govt.nz) or [www.justice.govt.nz/supremecourt](http://www.justice.govt.nz/supremecourt).**

The Supreme Court has unanimously dismissed an appeal against conviction under s 143B of the Tax Administration Act 1994, which relates to tax evasion and similar offences. The appellant, Mr Gilchrist, ran a tax consultancy business called E-Tax Trust which he controlled as sole director of the trustee company for the business.

Between June 2001 and August 2003 GST was not paid in respect of the business. In an attempt to recover tax the Commissioner, on two occasions, used a provision under s 157 of the TAA requiring debtors of the business to pay their debts to the Inland Revenue Department rather than E-Tax Trust.

In July 2003 IRD issued a written notice under s 17 of the TAA requiring the provision of financial information relating to the business. Upon receipt of the notice Mr Gilchrist assigned the debts of the business to a company and then knowingly did not provide the requested information. This was to pre-empt any further s 157 notice in relation to business debtors. Mr Gilchrist was prosecuted under s 143B(1)(b) of the TAA for knowingly not providing

the requested information intending to evade the payment of tax. The Supreme Court rejected Mr Gilchrist's argument that in the light of the history of the tax laws his conduct did not amount to an offence under the section. The Supreme Court also rejected his argument that the section could only apply in cases where there had been a wilful evasion of assessment and not where a proper assessment had been made but only payment had been evaded.

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