

**IN THE HIGH COURT OF NEW ZEALAND
AUCKLAND REGISTRY**

CIV 2009-404-005786

UNDER	The Companies Act 1993
BETWEEN	GREENSTONE TAUPO TRUSTEES LIMITED Applicant
AND	THE COMMISSIONER OF INLAND REVENUE Respondent

Hearing: 18 November 2009

Appearances: P Moodley for Applicant
S J Eisdell Moore SC for Respondent

Judgment: 18 November 2009

ORAL JUDGMENT OF ASSOCIATE JUDGE ROBINSON

Solicitors: Crown Solicitor, PO Box 2213, Auckland
Brookfields Lawyers, PO Box 240, Auckland

[1] The applicant brought these proceedings to set aside a statutory demand issued by the respondent. The statutory demand seeks to recover goods and services tax which has been assessed in respect of a joint venture. The applicant was one of two parties to that joint venture. According to the applicant the arrangements between the parties involved the parties sharing liabilities. However, it is patently clear from the law and in particular the provisions of the Goods and Services Tax Act 1985 that parties to a joint venture are jointly and severally liable for goods and services tax.

[2] Counsel for the applicant advises that the applicant now reluctantly accepts that it really has no defence to the claim by the respondent for the full amount of goods and services tax and accordingly now seeks leave to withdraw the application to set aside the statutory demand. I am satisfied the evidence clearly establishes that the applicant has no defence to the claim by The Commissioner for the full amount of goods and services tax. In the circumstances therefore the application to set aside the statutory demand issued by the respondent will now be withdrawn by leave.

[3] Pursuant to s 290(3) The Companies Act 1993 I extend the time for compliance with the statutory demand by fourteen days to 2 December 2009. The respondent seeks costs. The applicant quite properly offers no opposition to that application. The respondent will therefore be entitled to costs on a 2B basis with disbursements as fixed by the registrar.

Associate Judge Robinson

