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INLAND REVENUE ALLOWS LOSS OFFSET ELECTION

Allied Farmers Limited Group (**Allied** NZX:ALF) is pleased to advise that the Commissioner of Inland Revenue has now agreed to allow late offset elections for the 2016 to 2018 income years for the NZ Farmers Livestock finance consolidated group*.

On 5 December 2019 ALF disclosed that the Commissioner of Inland Revenue had declined a request to exercise her discretion to issue amended income tax assessments in respect of each of the 2016 to 2018 income tax returns in relation to payments that were incorrectly classified as subvention payments. The request was to allow a correction of the position by permitting a late loss offset election.

The request was initially declined and ALF disclosed that, if her decision was to stand, tax of \$1,193,948, plus interest and penalties (late payment and, if applicable, shortfall penalties) could be payable.

The Commissioner reconsidered her position after undertaking an independent review of the original decision at ALF's request.

ALF Chairperson Mark Benseman said "We are delighted with this decision. This means we now have in excess of \$1 million of cash available to invest in new agribusiness opportunities and continue to execute a strategy of providing a superior service to our food producing clients".

Mark Benseman
Chairperson

*NZ Farmers Livestock Limited is a subsidiary of Allied Farmers Limited