

**Reprint
as at 3 June 2017**



Fishing Vessel Ownership Savings Act 1977

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Fishing Vessel Ownership Savings Act 1977: repealed, on 3 June 2017, by section 3(1) of the Statutes Repeal Act 2017 (2017 No 23).

Contents

	Page
Title	2
1 Short Title	2
2 Interpretation	3
2A Cessation of opening of new Fishing Vessel Ownership Accounts	4

Part 1

Ordinary Fishing Vessel Ownership Accounts

3 Eligible savings	5
4 Notice of conditions	6
5 Persons eligible to open Accounts	6
6 Persons ineligible to receive grants	6
7 Purchase grants	7
8 Preservation of rights	8
9 Aggregation of grants	8
10 Acquisition of share in fishing vessel	8
11 Joint Accounts	9
12 Transferability of Ordinary Fishing Vessel Ownership Accounts	9

Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.
Note 4 at the end of this reprint provides a list of the amendments incorporated.

This Act is administered by the Treasury.

13	Payment to Corporation	9
14	Exemption from income tax	9

Part 2

Special Fishing Vessel Ownership Accounts

15	Special Fishing Vessel Ownership Accounts	10
16	Existing Ordinary Fishing Vessel Ownership Accounts	10
17	Transferability	11
18	Withdrawal and transfers from Special Fishing Vessel Ownership Accounts	11
19	Reopening of Special Fishing Vessel Ownership Accounts	13
20	Withdrawal certificates	13
21	Ineligible depositors	14
22	Breach of fishing vessel ownership requirements	14
23	Restrictions on use and dispositions	14
24	Effect of dispositions within restriction period	15
25	Charges	15
25A	Removal of criteria for payment of purchase grant or issue of withdrawal certificate	16
26	Information to be supplied to Minister or Corporation	17
27	Offences and penalties	17
28	Regulations	18
29	Consequential amendments	18

Part 3

Closure of Fishing Vessel Ownership Accounts by 30 June 2001

30	All existing accounts to be closed as at 30 June 2001	19
31	Unrestricted withdrawals may be made by persons making no further deposits after 30 June 1998	19
32	Parts 1 and 2 to continue to apply to persons making deposits after 30 June 1998	20

Schedule 1

Charge under section 25(1)(a) of the Fishing Vessel Ownership Savings Act 1977

Schedule 2

Enactments amended

21
22

An Act to encourage saving for fishing vessel ownership

1 Short Title

This Act may be cited as the Fishing Vessel Ownership Savings Act 1977.

2 Interpretation

(1) In this Act, unless the context otherwise requires,—

authorised savings institution means—

- (a) Post Office Bank Limited;
- (b) a trustee savings bank established under the Trustee Savings Banks Act 1948;
- (c) a building society which is an approved society under section 56D of the Building Societies Act 1965, or deemed to be an approved society, or any company deemed to be an approved society pursuant to section 113O of that Act
- (d) *[Repealed]*

Commissioner means the Commissioner of Inland Revenue appointed under the State Sector Act 1988; and includes any person for the time being authorised (whether by delegation by him or otherwise) to exercise or perform any of his powers or functions

Corporation means The National Bank of New Zealand Limited

depositor means any individual or, in the case of a joint Account, any 2 individuals for whose benefit a Fishing Vessel Ownership Account has been opened and maintained

Farm Ownership Account means a Farm Ownership Account as defined in section 2(1) of the Farm Ownership Savings Act 1974

fishing vessel or **vessel**, in relation to any depositor, means a ship that has a length of not less than 6 metres and that is suitable, in the opinion of the Corporation, for use solely or principally for catching or taking at sea, fish, crustaceans, shellfish, or other living resources of the sea for profit; and includes a share or interest in a fishing vessel

Fishing Vessel Ownership Account means an Ordinary Fishing Vessel Ownership Account or a Special Fishing Vessel Ownership Account

fishing vessel ownership requirements, in relation to a depositor, means the use for fishing purposes of money withdrawn by him, pursuant to a withdrawal certificate, from his Special Fishing Vessel Ownership Account and the compliance by him with section 23

Home Ownership Account means a Home Ownership Account as defined in section 2(1) of the Home Ownership Savings Act 1974

Minister means the Minister of Finance

Ordinary Farm Ownership Account means an Ordinary Farm Ownership Account as defined in section 2(1) of the Farm Ownership Savings Act 1974

Ordinary Fishing Vessel Ownership Account means a savings account under that name with an authorised savings institution

Ordinary Home Ownership Account means an Ordinary Home Ownership Account as defined in section 2(1) of the Home Ownership Savings Act 1974

purchase grant means a grant payable under section 7

qualifying date, in relation to the Fishing Vessel Ownership Account of any depositor, means the date on which the balance of the Account (including interest) reaches \$250 or if, by reason of withdrawals from the Account, the balance reaches \$250 more than once, the latest date on which the balance reaches \$250

qualifying year, in relation to the Fishing Vessel Ownership Account of any depositor, means a period of 12 months ending on any anniversary of the qualifying date in respect of the Account

Special Farm Ownership Account means a Special Farm Ownership Account as defined in section 2(1) of the Farm Ownership Savings Act 1974

Special Fishing Vessel Ownership Account means a savings account under that name with an authorised savings institution

Special Home Ownership Account means a Special Home Ownership Account as defined in section 2(1) of the Home Ownership Savings Act 1974

terminating date, in relation to any depositor, means the date of payment of a purchase grant to the depositor

withdrawal certificate means a certificate issued by the Corporation under section 20.

- (2) For the purposes of this Act a depositor may acquire a fishing vessel by the purchase or building of a vessel.

Section 2(1) **authorised savings institution** paragraph (a): substituted (with effect on 1 April 1987), on 1 July 1987, by section 11(1) of the State-Owned Enterprises Amendment Act 1987 (1987 No 117).

Section 2(1) **authorised savings institution** paragraph (c): substituted, on 1 September 1987, by section 41(3) of the Building Societies Amendment Act 1987 (1987 No 175).

Section 2(1) **authorised savings institution** paragraph (d): repealed, on 22 May 1998, by section 22(1) of the Private Savings Banks (Transfer of Undertakings) Act 1992 (1992 No 21).

Section 2(1) **Commissioner**: amended, on 1 April 1988, pursuant to section 90(a) of the State Sector Act 1988 (1988 No 20).

Section 2(1) **Corporation**: substituted, on 1 July 1994, by section 14 of the National Bank of New Zealand Limited Act 1994 (1994 No 3 (P)).

Section 2(1) **fishing vessel** or **vessel**: substituted, on 12 December 1983, by section 2 of the Fishing Vessel Ownership Savings Amendment Act 1983 (1983 No 74).

2A Cessation of opening of new Fishing Vessel Ownership Accounts

Notwithstanding any other provision in this Act, no person shall open a Fishing Vessel Ownership Account on or after 1 January 1985.

Section 2A: inserted, on 21 December 1984, by section 2 of the Fishing Vessel Ownership Savings Amendment Act 1984 (1984 No 22).

Part 1

Ordinary Fishing Vessel Ownership Accounts

3 Eligible savings

- (1) Subject to this section, for the purposes of this Act the amount of the eligible savings, in relation to the Ordinary Fishing Vessel Ownership Account of any depositor, at any date shall be—
 - (a) where that date is the qualifying date, \$250:
 - (b) where that date is during any qualifying year, the lesser of—
 - (i) the balance of the Account at that date:
 - (ii) the sum of the amount of the eligible savings on the day immediately preceding the first day of that qualifying year and \$5,000 (or such other amount as the Governor-General may, from time to time, by Order in Council declare).
- (2) Notwithstanding anything in subsection (1), in no case shall the amount of the eligible savings, in relation to the Ordinary Fishing Vessel Ownership Account of any depositor, exceed \$60,000 or such other amount as the Governor-General may, from time to time, by Order in Council declare.
- (3) *[Repealed]*
- (4) Where any amount is withdrawn from the Ordinary Fishing Vessel Ownership Account of any depositor at any date the amount of the eligible savings in the Account at that date and at all earlier dates shall be reduced by the amount of the withdrawal as far as the amount of the eligible savings extends:

provided that the amount of the eligible savings shall not be reduced to the extent that, before the amount of the withdrawal is taken into consideration, the balance of the Account at the date exceeds the amount of the eligible savings at that date.
- (5) Where a depositor withdraws the whole or any part of the balance in his Ordinary Fishing Vessel Ownership Account to be used as a deposit under a conditional agreement to acquire a fishing vessel, and the agreement fails to become binding and the depositor pays all or part of the amount withdrawn into that Account as soon as practicable, the amount of the withdrawal, to the extent that it has been paid into the Account, shall be deemed not to have been withdrawn for the purposes of calculating the amount of the eligible savings of the depositor or for the purpose of determining the qualifying date of the Account.

Section 3(1)(b)(ii): amended, on 18 September 1980, by section 3(1) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

Section 3(2): amended, on 18 September 1980, by section 3(2) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

Section 3(3): repealed, on 18 September 1980, by section 3(3) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

4 Notice of conditions

The terms and conditions upon which applications for purchase grants will be considered, purchase grants allowed and paid, and balances in Home Ownership Accounts and Farm Ownership Accounts transferred to Ordinary Fishing Vessel Ownership Accounts shall be in accordance with regulations made under this Act or, in default of any such regulations and so far as any such regulations do not extend, in accordance with the written directions of the Minister.

5 Persons eligible to open Accounts

No person shall be entitled to open an Ordinary Fishing Vessel Ownership Account unless he has attained the age of 15 years and—

- (a) is a pupil at a secondary school in New Zealand and certifies in writing that he intends to become a commercial fisherman; or
- (b) is undertaking, at any university or other similar institution in New Zealand or elsewhere, a course of study which will be of material assistance in enabling him to become a commercial fisherman; or
- (c) is exclusively or principally engaged or employed as the master or a member of the crew of a fishing vessel; or
- (d) has other relevant experience or has other relevant qualifications which will assist him or enable him to become an efficient commercial fisherman.

Section 5: substituted, on 18 September 1980, by section 4(1) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

6 Persons ineligible to receive grants

- (1) In this section the expression **substantial interest in a vessel** means a beneficial share or beneficial interest, at law or in equity, of more than one-half of the total property or total ownership in the whole of any fishing vessel.
- (1A) Where a depositor has entered into an unconditional contract to purchase a fishing vessel and it is a term of that contract that possession of the fishing vessel is not to be given until a specified later date, being a date not later than 6 months after the date on which that contract becomes unconditional, then such depositor shall not be deemed to have acquired a substantial interest in a vessel for the purposes of this section until that later date.
- (2) Subject to subsection (3) and notwithstanding any other provision in this Act, no depositor shall be eligible for a purchase grant where, in the opinion of the Corporation, at the time when the payment of the grant is sought, the depositor or, in the case of a joint Ordinary Fishing Vessel Ownership Account, either of the depositors:
 - (a) is not a New Zealand citizen; or

- (b) solely or jointly or in common with any other person owns or has owned a substantial interest in a vessel; or
 - (c) solely or jointly with any other person has or had at any time a controlling interest in any limited liability company or any other body corporate that at that time owned any substantial interest in a vessel; or
 - (d) solely or jointly with any other person has received a purchase grant; or
 - (e) is the spouse of any person to whom paragraph (b) or paragraph (c) or paragraph (d) would apply if that person were a depositor; or
 - (f) has not, since the opening of his Ordinary Fishing Vessel Ownership Account, had substantial practical experience as the master or a member of the crew of a fishing vessel.
- (3) Having regard to the special circumstances of any case, the Corporation may in its discretion grant, either wholly or partly, and conditionally or unconditionally, a purchase grant to any depositor of a class specified in subsection (2).

Section 6(1A): inserted, on 18 September 1980, by section 5(1) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

Section 6(2): amended, on 18 September 1980, by section 5(2) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

Section 6(3): added, on 18 September 1980, by section 5(3) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

7 Purchase grants

- (1) Subject to this Act, where the Corporation is satisfied that the grant is to be used by a depositor in the acquisition of a fishing vessel, there shall, to the extent to which the Corporation is satisfied that the eligible savings of the depositor are to be used by the depositor in the acquisition of the vessel, be paid by the Corporation to the depositor:
- (a) where the terminating date is not less than 3 years but less than 6 years from the qualifying date, a purchase grant equal to 25% of the depositor's eligible savings:
 - (b) where the terminating date is not less than 6 years but less than 7 years from the qualifying date, a purchase grant equal to 30% of the depositor's eligible savings:
 - (c) where the terminating date is not less than 7 years but less than 8 years from the qualifying date, a purchase grant equal to 35% of the depositor's eligible savings:
 - (d) where the terminating date is not less than 8 years but less than 9 years from the qualifying date, a purchase grant equal to 40% of the depositor's eligible savings:
 - (e) where the terminating date is not less than 9 years but less than 10 years from the qualifying date, a purchase grant equal to 45% of the depositor's eligible savings:

- (f) where the terminating date is on or after the tenth anniversary of the qualifying date, a purchase grant equal to 50% of the depositor's eligible savings.
- (2) Notwithstanding anything in subsection (1), the percentages specified in any paragraph of that subsection may, from time to time, be varied by the Governor-General by Order in Council.
- (3) No purchase grant shall be paid to any depositor in respect of any eligible savings withdrawn by him from his Ordinary Fishing Vessel Ownership Account earlier than 5 years after the qualifying date.
- (4) Where a depositor dies before the depositor has been paid a purchase grant, the personal representatives of the depositor may, to provide a fishing vessel for the widow or widower or any dependant of the depositor, apply for a purchase grant and the Corporation may deal with the application in the same manner, with any necessary modifications, as if the depositor had made the application.
- (5) No depositor shall be paid more than 1 purchase grant, or, subject to section 9, have a purchase grant calculated by reference to eligible savings in more than 1 Ordinary Fishing Vessel Ownership Account.

Section 7(1)(a): amended, on 18 September 1980, by section 6 of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

8 Preservation of rights

Where, by reason of an Order in Council made pursuant to subsection (1)(b)(ii) or subsection (2) of section 3 or section 7(2), the purchase grants payable to depositors are reduced, in so far as those purchase grants are calculated by reference to the eligible savings of a depositor at the date the Order in Council comes in force, those purchase grants shall be calculated as if the Order in Council had not been made.

9 Aggregation of grants

The purchase grant payable under this Act may be aggregated when 2 or more depositors who have separate Ordinary Fishing Vessel Ownership Accounts amalgamate their eligible savings for the purpose of acquiring a fishing vessel to be owned by them jointly or in common and for use by them, jointly or in common, as commercial fishermen.

10 Acquisition of share in fishing vessel

Without prejudice to section 9, with the prior written consent of the Corporation, a purchase grant may be paid to a depositor to enable him to acquire an undivided share or undivided interest in a fishing vessel either solely or jointly or in common with any other person.

11 Joint Accounts

Where 2 depositors have a joint Ordinary Fishing Vessel Ownership Account and the Corporation is satisfied that by reason of circumstances that have arisen since the Account was opened it is impracticable for the depositors to acquire a fishing vessel for their joint or common ownership or use, it may in its discretion allow all or part of the money deposited in the Account to be transferred into a separate Ordinary Fishing Vessel Ownership Account in the name of either depositor and to treat the money so transferred as deposited in the separate Account as at the date or dates it considers equitable for the purpose of calculating the eligible savings of either depositor.

12 Transferability of Ordinary Fishing Vessel Ownership Accounts

- (1) Subject to this Act, balances in an Ordinary Farm Ownership Account may be transferred to an Ordinary Fishing Vessel Ownership Account.
- (2) Balances in an Ordinary Fishing Vessel Ownership Account with any authorised savings institution may be transferred to an Ordinary Fishing Vessel Ownership Account with any other authorised savings institution.
- (3) Any transfer of an Ordinary Fishing Vessel Ownership Account of any depositor from one authorised savings institution to another authorised savings institution shall not affect the calculation of eligible savings or the rights of the depositor.

Section 12 heading: substituted, on 19 June 1987, by section 2 of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

Section 12(1): amended, on 22 May 1998, by section 6(a) of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Section 12(2): substituted, on 19 June 1987, by section 2 of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

Section 12(3): substituted, on 19 June 1987, by section 2 of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

13 Payment to Corporation

The Minister may from time to time, without further appropriation than this section, pay from a Crown Bank Account to the Corporation any amount required for the payment of purchase grants allowable under this Act and for the costs of administration and other proper disbursements.

Section 13: amended, on 25 January 2005, pursuant to section 83(7) of the Public Finance Act 1989 (1989 No 44).

14 Exemption from income tax

All purchase grants shall be exempt from income tax.

Part 2

Special Fishing Vessel Ownership Accounts

15 Special Fishing Vessel Ownership Accounts

- (1) Subject to this Act, on and after 1 November 1977 any person who would be entitled to open an Ordinary Fishing Vessel Ownership Account may open in his own name and for his own use (but not jointly or in common with any other person) a Special Fishing Vessel Ownership Account and the provisions of the Income Tax Act 2004 relating to special accounts shall apply to that Account in accordance with their tenor.
- (2) No person who has, in relation to an Ordinary Fishing Vessel Ownership Account, been paid either solely or jointly with any other depositor any purchase grant or who has, in relation to a Special Fishing Vessel Ownership Account, withdrawn any amount from that Account pursuant to a withdrawal certificate (not being an amount which has subsequently been redeposited in full and in respect of which the withdrawal certificate has been cancelled pursuant to section 20(3)) shall open a Special Fishing Vessel Ownership Account.
- (3) No person who is a depositor in relation to a Special Fishing Vessel Ownership Account or who has withdrawn any amount from a Special Fishing Vessel Ownership Account pursuant to a withdrawal certificate (not being an amount which has subsequently been redeposited in full and in respect of which the withdrawal certificate has been cancelled pursuant to section 20(3)) shall open an Ordinary Fishing Vessel Ownership Account.
- (4) No person who is a depositor in relation to an Ordinary Fishing Vessel Ownership Account with any authorised savings institution shall open a Special Fishing Vessel Ownership Account with any other authorised savings institution.
- (5) Where any person is a depositor in relation to an Ordinary Fishing Vessel Ownership Account jointly with any other person, he shall not open a Special Fishing Vessel Ownership Account unless the other person has given up his interest in the joint Account or the joint Account is severed into separate Ordinary Fishing Vessel Ownership Accounts:

provided that where any Ordinary Fishing Vessel Ownership Account is so dealt with, the qualifying date (if any) of the sole Account or Accounts so created shall not, by reason thereof, be changed.

Section 15(1): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

Section 15(1): amended, on 18 September 1980, by section 4(2) of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

16 Existing Ordinary Fishing Vessel Ownership Accounts

Where at the time a depositor opens a Special Fishing Vessel Ownership Account he is also a depositor in relation to an Ordinary Fishing Vessel Ownership Account—

- (a) if there is in respect of the Ordinary Fishing Vessel Ownership Account a qualifying date, that date shall be the qualifying date in respect of the Special Fishing Vessel Ownership Account; and
- (b) except for interest which may from time to time accrue and be payable in respect of the balance in the Ordinary Fishing Vessel Ownership Account, no other deposits shall be made thereafter in the Ordinary Fishing Vessel Ownership Account.

17 Transferability

- (1) Subject to this Act, balances in a Special Farm Ownership with an authorised savings institution may be transferred to a Special Fishing Vessel Ownership Account with any authorised savings institution:

provided that this subsection shall not apply unless the whole of the balance in the Special Farm Ownership Account is transferred and that Account is closed.

- (2) Where the balance in any Special Farm Ownership Account is transferred pursuant to subsection (1), the authorised savings institution shall forthwith inform the Commissioner accordingly.
- (3) Balances in a Special Fishing Vessel Ownership Account with any authorised savings institution may be transferred to a Special Fishing Vessel Ownership Account with any other authorised savings institution.
- (4) Any transfer of a Special Fishing Vessel Ownership Account of any depositor from one authorised savings institution to another authorised savings institution shall not affect the calculation of eligible savings or the rights of the depositor.

Section 17(1): substituted, on 19 June 1987, by section 3(1) of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

Section 17(1): amended, on 22 May 1998, by section 6(b) of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Section 17(1) proviso: amended, on 22 May 1998, by section 6(c) of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Section 17(2): amended, on 22 May 1998, by section 6(d) of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Section 17(3): substituted, on 19 June 1987, by section 3(2) of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

Section 17(4): added, on 19 June 1987, by section 3(2) of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

18 Withdrawal and transfers from Special Fishing Vessel Ownership Accounts

- (1) Subject to this section and to section 17, and to any relevant provisions in the Farm Ownership Savings Act 1974 or in the Home Ownership Savings Act 1974, no money shall be withdrawn or transferred from a Special Fishing Vessel Ownership Account.
- (2) A depositor may at any time withdraw or transfer any amount from his Special Fishing Vessel Ownership Account if, after the amount is withdrawn or trans-

ferred, the balance of the Account is not reduced to an amount less than the closing balance of the Account at 31 March immediately preceding the date of that withdrawal or transfer:

provided that a depositor who has deposited in his Special Fishing Vessel Ownership Account an amount in any one financial year in excess of the maximum amount of any increase in savings on which a rebate is allowable under section KG 1(1) of the Income Tax Act 2004 may withdraw or transfer such excess amount at any time during the next succeeding financial year, notwithstanding that the balance in his Account is thereby reduced to an amount less than the closing balance of the Account at 31 March immediately preceding the date of that withdrawal or transfer.

- (3) In the case of any withdrawal or transfer to which subsection (2) does not apply—
- (a) where the withdrawal or transfer (not being a transfer allowed under section 17) is made otherwise than pursuant to a withdrawal certificate, the balance of the Special Fishing Vessel Ownership Account is to be withdrawn and the Account closed:
 - (b) where the withdrawal or transfer is made pursuant to a withdrawal certificate, the amount of the balance of the Account is to be withdrawn and the Account closed unless by the terms and conditions of the withdrawal certificate a lesser amount is to be withdrawn and the Account is to remain open.
- (4) Where any Special Fishing Vessel Ownership Account is closed pursuant to subsection (3), the authorised savings institution with which the Account is held shall forthwith notify the Commissioner and the Corporation in writing, stating—
- (a) the name of the depositor:
 - (b) the amount of the withdrawal that resulted in the closure of the Account:
 - (c) the closing balance of the Account as at 31 March immediately preceding the date of the closure:
 - (d) the amount stated in the withdrawal certificate (if any):

provided that the authorised savings institution shall not notify the Corporation if the withdrawal was made otherwise than pursuant to a withdrawal certificate.

Section 18(2) proviso: added, on 18 September 1980, by section 7 of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

Section 18(2) proviso: amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

Section 18(2) proviso: amended, on 1 April 1995 (applying with respect to the tax on income derived in 1995–96 and subsequent income years), by section YB 1 of the Income Tax Act 1994 (1994 No 164).

19 Reopening of Special Fishing Vessel Ownership Accounts

- (1) Where—
 - (a) a Special Fishing Vessel Ownership Account is closed pursuant to a withdrawal certificate issued under section 20; and
 - (b) the amount withdrawn is used by the depositor as a deposit under a conditional agreement to acquire a fishing vessel and the agreement fails to become binding,—

the Corporation may determine that the Account shall be reopened, subject to the depositor paying into the Account the whole of the amount withdrawn or such part as the Corporation determines, and the Corporation shall notify the authorised savings institution and the Commissioner accordingly.

- (2) Where any Special Fishing Vessel Ownership Account is reopened pursuant to subsection (1), the authorised savings institution shall notify the Corporation and the Commissioner accordingly.

20 Withdrawal certificates

- (1) Subject to this Act, the Corporation shall, on application made to it in writing by any depositor in relation to a Special Fishing Vessel Ownership Account not earlier than 3 years after the qualifying date of the Account, issue to him a withdrawal certificate for the balance of the Account or a specified amount to be stated in the certificate if it is satisfied that that balance or that amount is to be used by the depositor for the acquisition of a fishing vessel.
- (2) Any withdrawal certificate may be issued subject to such terms and conditions as are set forth in the certificate that the Corporation considers necessary or desirable to impose to ensure that any amount withdrawn from a Special Fishing Vessel Ownership Account pursuant to the certificate is used by the depositor for the purposes for which the certificate was issued.
- (3) Where any depositor has, pursuant to a withdrawal certificate, withdrawn any amount from his Special Fishing Vessel Ownership Account and redeposits the whole or any part of that amount in his Account, the withdrawal certificate shall be cancelled by the Corporation to the extent of the amount redeposited and the Commissioner notified accordingly.
- (4) Any withdrawal certificate shall cease to have any force or effect on or after any date that may be specified therein in that behalf or, if no such date is specified therein, on the expiration of 6 months after the date of the certificate.
- (5) Subject to section 18(3)(b), every withdrawal certificate shall require the authorised savings institution to close the Special Farm Ownership Account of the depositor.

Section 20(1): amended, on 18 September 1980, by section 8 of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

21 Ineligible depositors

Notwithstanding anything in this Act, no depositor shall be eligible to obtain a withdrawal certificate in respect of a Special Fishing Vessel Ownership Account if, in the opinion of the Corporation, the depositor would not be eligible for any benefits under Part 1 if the Special Fishing Vessel Ownership Account were an Ordinary Fishing Vessel Ownership Account:

provided that, having regard to the special circumstances of any case, the Corporation may, in its discretion, issue a withdrawal certificate, either in respect of the whole or part of the balance in the Account, and conditionally or unconditionally to any depositor.

22 Breach of fishing vessel ownership requirements

Where the Corporation at any time knows or has reason to believe or suspect that a depositor who has been issued with a withdrawal certificate has failed to comply with any fishing vessel ownership requirements to which he may be or may become subject, the Corporation shall forthwith in writing inform the Commissioner accordingly.

23 Restrictions on use and dispositions

- (1) For the purposes of this Act, the term **restriction period** means:
 - (a) in relation to an Ordinary Fishing Vessel Ownership Account of any depositor, the period of 5 years commencing on the date on which a purchase grant is paid to the depositor:
 - (b) in relation to a Special Fishing Vessel Ownership Account of any depositor, the period of 5 years commencing on the date on which the depositor, pursuant to a withdrawal certificate, withdrew any money from the Account.
- (2) In relation to any fishing vessel for the purchase of which the depositor has received a purchase grant or been issued with a withdrawal certificate no depositor, without on each occasion the prior written consent of the Corporation, shall, prior to the expiration, with regard to that vessel, of the restriction period—
 - (a) operate the vessel out of any port other than a New Zealand port; or
 - (b) land, at any place other than a New Zealand port any catch of any fish, crustaceans, shellfish, or other living resources of the sea taken by the vessel; or
 - (c) sell, lease, charter, part with the possession of, mortgage, encumber, or otherwise alienate or dispose of (at law or in equity) the whole of or any share or interest in the vessel:

provided that the foregoing provisions of this paragraph shall not apply to—

- (i) any memorandum of mortgage or other encumbrance granted by the depositor over his interest in any such vessel to secure any loan made to him by the Corporation; or
- (ii) any transmission of the depositor's interest in any such vessel.

24 Effect of dispositions within restriction period

If a depositor, contrary to section 23, and within the restriction period, sells, charters, leases, subleases, parts with the possession of, mortgages, encumbers, or otherwise alienates or disposes of (at law or in equity) the whole or any interest in any vessel referred to in that section the depositor shall forthwith—

- (a) refund to the Corporation any purchase grant that he has received in respect of his deposits in his Ordinary Fishing Vessel Ownership Account; and
- (b) pay to the Corporation any withdrawal tax that, under subpart ID of the Income Tax Act 2004, he is liable to pay in respect of amounts withdrawn from his Special Fishing Vessel Ownership Account:

provided that, having regard to the special circumstances of any case, the Corporation may, in its discretion, waive, either wholly or partly, the depositor's obligation to—

- (a) refund any purchase grant under this section; or
- (b) pay withdrawal tax which, under subpart ID of the Income Tax Act 2004, he or she is liable to pay in respect of amounts withdrawn from his or her Special Fishing Vessel Ownership Account.

Section 24(b): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

Section 24(b): amended, on 18 September 1980, by section 9 of the Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13).

Section 24 proviso: added, on 19 June 1987, by section 4 of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

Section 24 proviso paragraph (b): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

25 Charges

- (1) To secure any money which may, pursuant to this Act or subpart ID of the Income Tax Act 2004, be payable or become in the future payable to the Corporation or to the Commissioner by a depositor and otherwise to secure the due performance by the depositor of all obligations that are or may be imposed upon the depositor by or pursuant to this Act, the Corporation may—
 - (a) where the relevant fishing vessel is, within the meaning of section 2(1) of the Maritime Transport Act 1994, a New Zealand ship, execute and register a charge, in the form set out in Schedule 1, to the intent that such

charge shall, for the purposes of that Act, be and be deemed to be, in favour of the Corporation, a mortgage of the vessel:

- (b) where the relevant fishing vessel is not, as aforesaid, a New Zealand ship, take such security over the vessel that the Corporation thinks necessary or desirable:
 - (c) in addition to or instead of executing any such charge or taking any such security, take such security over all or any of the land or chattels of the depositor pursuant to this section in such sum as the Corporation may consider appropriate.
- (2) To register any such charge it shall not be necessary to produce to any Registrar of Ships any Certificate of Registration to the vessel concerned.
 - (3) Where any such charge is so registered, it shall be the duty of the Registrar of Ships to enter a memorial in the Register (and in addition to any other memorial which, pursuant to any other Act he is required to enter thereon) that the vessel is subject to this Act.
 - (4) Subject to section 23, while any vessel is, in accordance with the foregoing provisions of this section, subject to this Act, no dealing with such vessel shall be registered without, on each occasion, the Corporation's prior written consent, which consent may be given either unconditionally or subject to such conditions as the Corporation may think fit to impose.
 - (5) No such charge shall be discharged, released, modified or varied except by the Corporation or pursuant to an order of the High Court of New Zealand.
 - (6) No registration fee shall be payable under any Act in respect of the execution or registration of any such charge or security or in respect of any such discharge, release, modification or variation thereof.

Section 25(1): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

Section 25(1)(a): amended, on 1 February 1995, pursuant to section 202(1) of the Maritime Transport Act 1994 (1994 No 104).

Section 25(5): amended, on 1 April 1980, pursuant to section 12 of the Judicature Amendment Act 1979 (1979 No 124).

Section 25(6): amended, on 20 May 1999, by section 7 of the Stamp Duty Abolition Act 1999 (1999 No 61).

25A Removal of criteria for payment of purchase grant or issue of withdrawal certificate

- (1) Notwithstanding any other provision in this Act, any Fishing Vessel Ownership Account depositor may withdraw the balance of the Account and close the Account if after 18 June 1987 he or she either makes no further deposits in that Account or makes deposits in that Account which, in the opinion of the Corporation, were made without knowledge of this section.
- (2) Where the depositor exercises his or her rights under subsection (1), the Corporation shall in respect of an Ordinary Fishing Vessel Ownership Account, on

the application of a depositor, pay to the depositor a purchase grant pursuant to section 7 in respect of the amount of the depositor's eligible savings on the close of 18 June 1987, notwithstanding that the depositor has not complied with the provisions of Part 1:

provided that the purchase grant shall be calculated from the qualifying date until the close of 18 June 1987, and all Ordinary Fishing Vessel Ownership Accounts of under 3 years' duration shall attract a purchase grant of 25% of the depositor's eligible savings.

- (3) Where the depositor exercises his or her rights under subsection (1), the Corporation shall, in respect of a Special Fishing Vessel Ownership Account, issue to the depositor a withdrawal certificate pursuant to section 20 for the balance of the Account as at the close of 18 June 1987, notwithstanding that the depositor has not complied with the provisions of Part 2.
- (4) Notwithstanding the foregoing provisions of this section, no person shall be entitled to receive a purchase grant or a withdrawal certificate pursuant to this section where the Fishing Vessel Ownership Account was formerly a Home Ownership Account which was transferred to a Fishing Vessel Ownership Account pursuant to section 12(1) or section 17(1) after 18 June 1987.

Section 25A: inserted, on 19 June 1987, by section 5 of the Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101).

26 Information to be supplied to Minister or Corporation

Notwithstanding anything in any other Act, every authorised savings institution shall furnish to the Minister or to the Corporation such information and particulars in relation to Fishing Vessel Ownership Accounts opened with the institution as the Minister may from time to time require to be furnished:

provided that nothing in this section shall authorise the Minister to require any authorised savings institution to furnish any information which, in accordance with accepted banking practice, a banker is not obliged to disclose without the consent of the depositor concerned, unless that consent has been obtained.

27 Offences and penalties

- (1) Every person commits an offence against this Act who—
 - (a) makes any statement knowing it to be false in any material particular or otherwise wilfully misleads or attempts to mislead the Corporation or any officer of the Corporation or any other person in relation to any application for a purchase grant for himself or any other person:
 - (b) being a person to whom a purchase grant has been paid under this Act—
 - (i) fails, within a reasonable time after being required to do so, to supply in writing to the Corporation any information requested by the Corporation for the purpose of ascertaining whether or not the terms and conditions under which the purchase grant was paid have been fulfilled or whether or not any event has taken place by

reason of which the purchase grant or any part thereof is repayable:

provided that no person shall be required to supply any information tending to incriminate himself; or

- (ii) supplies any information knowing it to be false in any material particular.

- (2) Any person who commits an offence under subsection (1) is liable on conviction—
 - (a) to imprisonment for a term not exceeding 6 months or to a fine not exceeding \$1,000; and
 - (b) to repay in full to the Corporation any purchase grant wrongfully obtained.

Section 27(2): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

28 Regulations

- (1) The Governor-General may from time to time, by Order in Council, make regulations in regard to any matter or for any purpose for which regulations are prescribed or contemplated by this Act or may be necessary for giving full effect to the provisions of this Act and for the due administration thereof.
- (2) Without limiting the general power to make regulations conferred by subsection (1), regulations may be made under that subsection—
 - (a) prescribing the mode of making application for purchase grants:
 - (b) prescribing the procedure for payment of purchase grants:
 - (c) prescribing offences in respect of the contravention of or non-compliance with any regulations made under this Act or any term or condition given pursuant to any such regulations, and prescribing penalties on conviction not exceeding \$200 in respect of any such offences.

Section 28(2)(c): amended, on 1 July 2013, by section 413 of the Criminal Procedure Act 2011 (2011 No 81).

29 Consequential amendments

The enactments specified in Schedule 2 are hereby amended in the manner specified in that schedule.

Part 3

Closure of Fishing Vessel Ownership Accounts by 30 June 2001

Part 3: added, on 22 May 1998, by section 7 of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

30 All existing accounts to be closed as at 30 June 2001

- (1) All Fishing Vessel Ownership Accounts in existence on 30 June 2001 are to be closed as at that date and their balances paid to their depositors.
- (2) Where an Ordinary Fishing Vessel Ownership Account is closed under subsection (1)—
 - (a) the Corporation must pay to the depositor a purchase grant under section 7 in respect of the depositor's eligible savings on the close of 30 June 2001, notwithstanding that the depositor would not otherwise be entitled to receive a purchase grant under Part 1; and
 - (b) nothing in sections 23 to 25 (which impose certain restrictions where a purchase grant has been paid, and may require its repayment for breach of those restrictions) applies in respect of that purchase grant.
- (3) Where a Special Fishing Vessel Ownership Account is closed under subsection (1)—
 - (a) the Corporation must issue to the depositor a withdrawal certificate under section 20 for the balance of the Account as at the close of 30 June 2001, notwithstanding that the depositor would not otherwise be entitled to receive a withdrawal certificate under Part 2; and
 - (b) nothing in sections 23 to 25 (which impose certain restrictions where a withdrawal certificate has been issued, and may require the payment of withdrawal tax under Part 1 of the Income Tax Act 2004 if those restrictions are breached) applies in respect of the withdrawal for which the withdrawal certificate is issued.

Section 30: added, on 22 May 1998, by section 7 of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Section 30(3)(b): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

31 Unrestricted withdrawals may be made by persons making no further deposits after 30 June 1998

- (1) A Fishing Vessel Ownership Account depositor may withdraw the balance of the Account and close the Account if the depositor has made no deposit in the account after 30 June 1998.
- (2) If a depositor with an Ordinary Fishing Vessel Ownership Account closes his or her Account under this section—

- (a) the Corporation must pay to the depositor a purchase grant under section 7 in respect of the depositor's eligible savings on the close of 14 May 1998, notwithstanding that the depositor would not otherwise be entitled to receive a purchase grant under Part 1; and
 - (b) nothing in sections 23 to 25 (which impose certain restrictions where a purchase grant has been paid, and may require its repayment for breach of those restrictions) applies in respect of that purchase grant.
- (3) If a depositor with a Special Fishing Vessel Ownership Account closes his or her Account under this section—
- (a) the Corporation must issue to the depositor a withdrawal certificate under section 20 for the balance of the Account (less the amount of any deposit referred to in subsection (4)) as at the time of its closure, notwithstanding that the depositor would not otherwise be entitled to receive a withdrawal certificate under Part 2; and
 - (b) nothing in sections 23 to 25 (which impose certain restrictions where a withdrawal certificate has been issued, and may require the payment of withdrawal tax under Part 1 of the Income Tax Act 2004 if those restrictions are breached) applies in respect of the withdrawal for which the withdrawal certificate is issued.
- (4) If a person with a Special Fishing Vessel Ownership Account makes any deposit into that Account during the period 15 May 1998 to 30 June 1998 (both dates inclusive), the amount of the deposit, to the extent that it is not subsequently withdrawn in accordance with section 18(2) before the closure of the Account under this section,—
- (a) is to be excluded from the withdrawal certificate given under subsection (3)(a); and
 - (b) falls to be treated as withdrawal income subject to withdrawal tax in accordance with Part IZ of the Income Tax Act 1994.

Section 31: added, on 22 May 1998, by section 7 of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Section 31(3)(b): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

32 Parts 1 and 2 to continue to apply to persons making deposits after 30 June 1998

If a depositor with a Fishing Vessel Ownership Account makes any deposit into that Account on or after 30 June 1998, the provisions of Parts 1 and 2 continue to apply to that depositor and that Account, unless and until the Account is closed under section 30.

Section 32: added, on 22 May 1998, by section 7 of the Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22).

Schedule 1
**Charge under section 25(1)(a) of the Fishing Vessel Ownership
Savings Act 1977**

To secure money

Name of fishing vessel:

Official No:

Number, date and port of registry:

Whether a sailing, steam or motor vessel:

Horsepower of any engines:

Length from forepart of stem to the aft side of the head of stern post:

Main breadth to outside of flank or outside of hull:

Depth from top of deck at side amidship to bottom of keel:

Number of tons:

(1) Gross:

(2) Register:

and as described in more detail in the certificate of the Surveyor and the Register book.

Pursuant to the Fishing Vessel Ownership Savings Act 1977 the above-mentioned ship is subject to a charge in the sum of \$[*amount*] in favour of the Rural Banking and Finance Corporation of New Zealand.

Date:

Signed by the Rural Banking and Finance Corporation of New Zealand by
acting for the said Corporation pursuant to section 16 of the Rural Banking and Finance Corporation Act 1974 in the presence of:

Witness:

Occupation:

Address:

} The Rural Banking and Finance Corporation of New Zealand by:

Schedule 2
Enactments amended

s 29

Farm Ownership Savings Act 1974 (1974 No 55)

Amendment(s) incorporated in the Act(s).

Home Ownership Savings Act 1974 (1974 No 51)

Amendment(s) incorporated in the Act(s).

Reprints notes

1 *General*

This is a reprint of the Fishing Vessel Ownership Savings Act 1977 that incorporates all the amendments to that Act as at the date of the last amendment to it.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

Statutes Repeal Act 2017 (2017 No 23): section 3(1)

Criminal Procedure Act 2011 (2011 No 81): section 413

Income Tax Act 2004 (2004 No 35): section YA 2

Stamp Duty Abolition Act 1999 (1999 No 61): section 7

Farm and Fishing Vessel Ownership Savings Schemes (Closure) Act 1998 (1998 No 22): sections 6, 7

Income Tax Act 1994 (1994 No 164): section YB 1

Maritime Transport Act 1994 (1994 No 104): section 202(1)

National Bank of New Zealand Limited Act 1994 (1994 No 3 (P)): section 14

Private Savings Banks (Transfer of Undertakings) Act 1992 (1992 No 21): section 22(1)

Public Finance Act 1989 (1989 No 44): section 83(7)

State Sector Act 1988 (1988 No 20): section 90(a)

Building Societies Amendment Act 1987 (1987 No 175): section 41(3)

State-Owned Enterprises Amendment Act 1987 (1987 No 117): section 11(1)

Fishing Vessel Ownership Savings Amendment Act 1987 (1987 No 101)

Fishing Vessel Ownership Savings Amendment Act 1984 (1984 No 22)

Fishing Vessel Ownership Savings Amendment Act 1983 (1983 No 74)

Fishing Vessel Ownership Savings Amendment Act 1980 (1980 No 13)

Judicature Amendment Act 1979 (1979 No 124): section 12