

1st September 2014

To whom it may concern

RE: Stress Management Exercise Association Endorsement Programme (ExerciseNZ Stress Management)

This is to confirm that ExerciseNZ has had confirmation from the Inland Revenue Department (IRD), that subject to certain conditions, exercise programmes are not subject to Fringe Benefit Tax (FBT) for employers.

This was confirmed after BDO Accounting wrote on our behalf to IRD with our interpretation of the tax law around the legal requirements of employers to manage employee's workplace stress, and the proven benefits that exercise has in managing such stress.

As there are several conditions to IRDs confirmation, as a result we have established a verification / endorsement programme to independently verify if an exercise provider's programme/product meets IRD's criteria. This endorsement program is called ExerciseNZ Stress Management, and all providers listed on this site have been confirmed by Exercise New Zealand as meeting all of the requirements set by IRD.

For your reference, the endorsement process can be viewed at www.smeaep.co.nz. I have also attached IRDs letter to us confirming their position. (Note: At the time ExerciseNZ was called FitnessNZ).

Yours Sincerely

Richard Beddie
CEO, Exercise Association of New Zealand



26 JUL 2013

22 July 2013

Mark Lodder
BDO Christchurch Limited
PO Box 246
Christchurch 8140

Dear Mr Lodder

**NEW ZEALAND FITNESS
IRD NUMBER 60-354-960
OUR REFERENCE WR/114007841500S5**

Thank you for your letter dated 16 April 2013.

You have requested an indicative view in respect of a specific exclusion from the fringe benefit tax regime for a stress management programme developed by Fitness New Zealand.

The structured stress management programme developed by Fitness New Zealand satisfies the criteria of section CX 24 of the Income Tax Act 2007 to be excluded from the fringe benefit tax regime.

This decision is based upon the following:

- The programme is administered and facilitated by an individual registered with the New Zealand Register of Exercise Professionals,
- An assessment of the employee is carried,
- A personalised programme is prepared for the employee.
- The employee's progress is monitored, and
- The employer is kept up to date.

Inland Revenue accepts that the programme falls within the purpose of hazard management, as that term is defined in the Health and Safety in Employment Act 1992.

Yours faithfully

C F Spence
Customer Services Officer
Customer Services (Transactional)