

30 July 2010

P O Box 2175
Shortland Street
Auckland 1140

IRD Number:

As part of our compliance programme we have recently undertaken a review of your 31 March 2007 income tax affairs. Your records were selected as part of a risk-based selection in relation to your activity of selling goods online through the trademe.co.nz website.

The following areas were reviewed to ensure compliance with the tax legislation:

- Volume of sales to establish a possible trading pattern, and
- Total sales on trademe.co.nz compared against your taxable income.

I am pleased to advise the risk review has been completed and that based on our review no future action is intended at this time. However, I would like to take this opportunity to remind you of your obligations.

If you are selling goods or services, on-line or otherwise, with the intention of making a profit, and/or selling on a regular basis, it is likely you are required to account for this income in an annual tax return and you may also need to be registered for GST.

If you would like more information about your obligations or our published Compliance Programme, please go to Inland Revenue's website at www.ird.govt.nz

Yours sincerely

Assurance Manager Investigations