

# New Zealand *The perfect place to start*

International buyers have long recognised the benefits of continuing the development of their yearling purchases on the mineral-rich New Zealand soil, subsequent to their sales acquisition. This burgeoning market has developed as a natural extension of the selling process with many sales graduates remaining in New Zealand for their early racing education.

The benefits of raising and preparing a young horse in New Zealand include:

- temperate climate
- lush green pastures
- excellent stabling and training facilities
- expertise of local horsemen and women
- favourable pricing structure for international owners

While prices vary between operators and regions within the country the following table provides an indication of the costs of developing a horse in New Zealand:

EXPENSE	COST (NZ\$)	EXPENSE	COST (NZ\$)
Breaking In	\$50-\$65 per day	Veterinary	\$100-\$300 per month
Pre training	\$50-\$70 per day	Chiropractor	\$100-\$150 per visit
Full training	\$50-\$75 per day	Naming & Registration	\$115
Spelling	\$15-\$35 per day	Trial Fees	\$130 - \$150 per trial
Training Track Fees	\$100-\$150 per month	Approx transport Karaka to Waikato	\$170
Farrier - Shoeing	\$115-\$140 per full set	Approx transport Karaka to Wairarapa	\$450
Dentist	\$50-\$70 per visit	Approx transport Karaka to Christchurch	\$800

Often the farm from which the horse has been purchased can provide a familiar environment in which to continue yearling development, however, should you require assistance finding a suitable farm to entrust your purchases or any general information, contact New Zealand Thoroughbred Marketing.

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# New Zealand *GST Exemption* for Overseas Purchasers

Below are some basic pointers to assist overseas purchasers at the forthcoming yearling sales series regarding the treatment of Goods and Services Tax (GST) and the options available. New Zealand Bloodstock will assist overseas buyers with arrangements to defer GST, a very simple process, should they wish to leave their purchases in New Zealand for a period.

- The current rate of GST is 15% and is charged on all bloodstock purchased at the sales, except those horses that will be exported within 28 days of the sale;
- If the yearling is destined for export overseas and the purchaser wishes to leave the horse in New Zealand, application will need to be made to Inland Revenue to delay the export of the horse for a period up to 24 months from the date of sale. The team at New Zealand Bloodstock will help guide the purchaser through this process.
- Once accepted under the “24 month rule” the GST on the original purchase is charged at NIL%.
- In the event the horse is not exported within the 24 month period, GST at 15% will be applicable.
- Whilst the yearling horse is in New Zealand under this 24 month rule, the yearling may be educated, broken-in and can attend barrier trials as part of its education. Should the horse have a raceday start, then GST will become payable.
- It is the practice of New Zealand Bloodstock to hold onto the registration papers of the yearlings staying in New Zealand until such time as the GST on the original purchase has been paid. The purpose of this is to restrict the opportunity for horses to enter in a race, thus breaching the 24 month regulations, and making GST payable.
- Therefore, because New Zealand Bloodstock retain the registration papers it is not possible to name the horse, unless specifically requested by the horse owner, with them fully aware that GST will apply. It follows that only named horses may be entered for a formal race run under the Rules of Racing, whereas unnamed horses are free to trial in New Zealand.

