

## Welcome to the New Financial Year!

We hope you're off to a great start and looking forward to the new financial year ahead. We have recently sent out our Client Questionnaires, so if you have not received this, please do contact our office as soon as possible.

We are sure you will all agree that with the new Expressway opening recently, it's an exciting time for us all on the Kapiti Coast. For any of our clients that commute, the shorter and more reliable journey is a welcomed change to our region. Keep an eye out in this newsletter for a question on the expressway, and be in to win a prize!



## Upcoming Changes for Businesses

In keeping with the change theme above—there have been various tax changes recently introduced which may affect your business. In this edition of our Newsletter, we will cover off some of these changes. If you have any queries, please do contact us.



*"Change is hard at first....messy in the middle...but gorgeous in the end"*  
Robin Sharma

## GST - In the Crystal Ball

In New Zealand, goods worth less than \$400 purchased from overseas suppliers don't have GST imposed on them (though duty may apply). Retail NZ states that this exposes Kiwi businesses to unfair competition, as they are subject to GST while foreign businesses undercut them on low-value goods.

Some two-thirds of all goods sold to New Zealanders come from the 20 biggest global retailers. (Like Amazon, rumoured to be establishing a base in Sydney, potentially making shipping cheaper for Australian and New Zealand customers). Retail NZ estimates that the Government is missing out on at least \$200 million in GST this way.

Retail NZ is calling for all overseas companies selling to Kiwis to be required to register for GST. It seems the next logical step. We're watching with interest and will keep you posted.

## Transforming GST



Inland Revenue are rolling out other changes to how New Zealanders file and manage their GST as part of ongoing business transformation. More than half New Zealand's businesses now file their GST through Inland Revenue's secure online service myIR, or direct from their accounting software. If this includes your business, you may have noticed there's a new myGST tab on your myIR account. This will provide access to all your GST information.

## Getting it Right – Tax Payments

When paying your Terminal Tax or Provisional Tax to the Inland Revenue Department via internet banking, it is very important that you select the 'right income year'.

If the taxes are paid to an incorrect year, it could effect how future taxes are calculated from our tax management system, and result in over or under payments of tax being paid to the Inland Revenue Department.

This results in us having to spend time correcting the payments to the right year with the Inland Revenue Department.

If in doubt, pick up the phone and call us – we are here to help!



## When an Employee Pays off their Student Loan

When an employee informs you their student loan has been paid off, they'll want to change their tax code so they no longer make student loan repayments.

These employees will need to give you a completed *Tax code declaration form (IR330)*. Once you get a new IR330 from the employee, you can stop student loan deductions, including any extra student loan deductions you have been asked to pay to the Inland Revenue Department.

Contact our office and we can forward you the appropriate paperwork for completing.



*Email our office with the year that Transmission Gully will be completed, to go into the draw to win a great prize! Send your answer to [angela@finman.net.nz](mailto:angela@finman.net.nz)  
Winner drawn out and notified on 12 May 2017.*

## Buying and Selling Property and Major Assets

There are many GST and Income Tax implications when purchasing or selling property. We are here to help you sort these out. Please send us your Sales and Purchase Agreement, Settlement Statement, and Trust Account Statement from your Solicitors so we can ensure you are accounting for GST and Tax correctly.

If you are purchasing major assets, on hire purchase or lease to own arrangements, you can claim the GST in the period that you make the purchase. Contact our office and we will assist you to get the correct GST claim and set up new codes for the repayments.

When sending in your end of year information, please also include any paperwork for purchases and sales of properties and major assets, so we can check these have been dealt with correctly.

