

Newsletter March 2014

2014 Questionnaires:

Enclosed with this newsletter are the 2014 questionnaires and checklists. **Please be sure to go through these to ascertain which records you need to bring in with your work and to make sure that you have taken any required action/s at year end, eg, counted stock, and noted lists of debtors and creditors as at balance date. If a question doesn't apply please put "N/A". It is very important that the completed and signed questionnaires accompany your records into the office. They save us time and ultimately you money!**

2013 Terminal Tax Payments Due 7 April 2014:

Tax Notices will be sent out in the next week to all those needing to make payments. Please check you are happy with these and arrange the payment by whatever means so it reaches Inland Revenue by the 7th April 2014.

3rd Instalment of 2014 Provisional Tax due 7 May 2014:

We will be sending out tax notices for March Balance Date clients with 3rd provisional payments due in early April. If you consider that your income may be significantly different from that in the 2013 year please contact us so we can review the amount you pay. We can estimate up or down.

Register for myIR to file PAYE and GST faster:

Filing GST and PAYE returns is simple, secure and easy online with myIR. myIR lets you manage your tax matters online and allows you to enter and check your returns at your computer and saves you worrying about postal delivery times. You can set up a myIR account by going to www.ird.govt.nz and registering in the turquoise box at the top right corner of the home page. From then on that is where you will log in.

Where you file these returns yourself please remember it is very important to keep a copy of what you have filed and your workings behind the figures entered on the forms. Keeping good workpapers saves time (and money) when we are doing reconciliations

Overseas Pensions and Superannuation, Don't Delay! :

As outlined in our December 2013 newsletter new taxation rules will apply to income and lump sum payments received from overseas pension and superannuation schemes from countries other than Australia from 1 April 2014. To take advantage of the option to have only 15% of the amount transferred taxed as income **you need to have made application for a lump sum transfer to New Zealand prior to 1 April 2014 (even if the transfer hasn't actually occurred).**

Student Loans: Repayments correct?

During the 2014 financial year the repayment rate has increased to 12% of taxable income above the threshold of \$19,084. If your payroll deductions overpay your compulsory repayment this is no longer refundable to you. Any overpayment is credited to your loan. It is important that all those on wages or salary with a student loan use the correct tax code. There are several Student Loan tax codes available and you should review your Tax Code Declaration (IR330 form) which has a decision table attached to it, to determine what tax code to use to ensure deductions are correct. Download from <http://www.ird.govt.nz/forms-guides/>.

GST – Zero Rating of Tools:

From 1 April 2014, NZ manufacturers will be able to zero-rate machine tools they supply if, the tools are:

- used in NZ solely to manufacture goods for export, and
- supplied to a non-GST registered non-resident.

Tools include jigs, patterns, templates, dies, punches and similar machine tools. The tools don't have to be exported with the goods to be zero-rated, but can't be used to manufacture goods that will be supplied in NZ.

Online Trading:

Are you trading online as part of your business? Do you sell goods or services over the internet? A factsheet, [Online Trading Tax Implications \(IR1022\)](#) helps to work out whether your online trading activity is a business or not. Find this at <http://www.ird.govt.nz/forms-guides/>

Common IT Scams:

It is now quite common to be receiving loads of Junk and Spam emails. Pro forma invoicing for goods or services you haven't ordered is also another common occurrence. With the information overload you need to be very careful that computer security is reviewed in your workplace and at home.

Scams vary in severity, even a small piece of malware is capable of causing disruption to your business and could incur significant costs to successfully remove it from your network. Commonly, virus emails are sent to all email addresses in your address book where malware has taken hold. This means that associates are reluctant to open emails from you.

What to do if you think your business computers are infected?

- Report the computer system attack to NetSafe's ORB website www.theorb.org.nz
- Be prepared to wipe systems and restore from back-ups
- Do not pay ransoms or fees, no matter how convincing the caller may seem. There is no guarantee that your data will be unlocked by a hacker.

The Top 5 Tips to protect your business online:

1. Think before you click – it only takes a moment to open an attachment or visit pages containing harmful malware or viruses.
2. Update everything – having the latest updates and patches helps protect your systems.
3. Back up your files regularly – preferably keep backups offsite or to a cloud service.
4. Secure your wireless network – safeguarding passwords and using the latest encryption software.
5. Use strong passwords and change passwords regularly – resist the urge to share passwords with staff or colleagues.

For more information visit Security Central for small businesses www.securitycentral.org.nz.

NetSafe has also created a website to help businesses take control of their technology, www.whatsit.org.nz. This provides simple tools to:

- Help write ICT policies and use agreements for the workplace – building a cyber-safety culture for your company.
- Give staff access to free and comprehensive education resources in short, fun videos.

Note: The information contained in this newsletter is of a general nature only and readers are cautioned not to act or rely on it without first consulting a senior representative of this firm for specific advice relative to individual circumstances.

ACC Earner Levy Decreasing:

All earners whether from wages and salaries from an employer or if you are self employed or receive a shareholder salary have to pay an Earner Levy which is paid to cover out of work accident costs.

This levy was \$1.70/\$100 of earnings in the past year and ACC have announced that this will decrease to \$1.45/\$100 for the year beginning 1 April 2014. A reasonable saving. Earner premiums do not include GST and are not tax deductible.

Write Off Bad Debts Now:

If you have any debts you think need to be written off, do this prior to 31 March 2014 in your Debtors ledger and you can claim the expense. If you do not write these off before the end of your tax year they cannot be claimed.

Do You Know Your New Zealand Business Number (NZBN):

In December 2013, the New Zealand Companies Office started issuing a New Zealand Business Number (NZBN) to all limited liability companies. This 13-digit unique identifier can be used here and, in the future, internationally.

Companies can use their NZBN immediately in transactions with the Companies Office and some private business-to-business transactions. While the NZBN will become the main identifier for most companies in future, it doesn't replace agency identifiers such as IRD, GST and ACC numbers and the Company Incorporation number.

It is envisaged that eventually all other business entities eg sole traders, partnerships, trusts etc will be issued NZBN's in the future.

Don't Forget to Visit:

www.robertsonfulton.co.nz

It has lots of information and copies of newsletters and questionnaires should you want to download them, or just check for information and other services we offer which you may be interested in. It also has a list of important dates and useful links, and some interesting staff photos!

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