

NEWSLETTER

Client information request



RPL ACCOUNTANTS LTD

Dear Clients

It is now time to make a start to prepare information to give to us so that we may complete your 2013/14 annual accounts, income tax returns and related matters.

We do appreciate your continued loyalty and look forward to being of service to you again this year.

In compiling this information we hope the following check list will be of assistance.

Your 2013/14 financial year-end task list			
Task	What is it?	What you need to do	By when
Complete the personal/trust tax information form	An overview of your personal tax situation, including any offshore investments	Complete the form; send to us If you have offshore investments, complete the supplementary forms as well	Once you have received all your information
Complete the business information checklist	A list of all the year-end information you need to prepare for us, plus some questions about your business.	Assemble all your 2012/13 source data; complete the checklist to ensure you have included all the correct information; answer the questions; send or deliver the checklist and your accounts to us.	When you complete your last GST return for the year
Fill out home office claim	Details on home office space and deductible household expenses	Please download this form from our website, complete and return to us with your accounts.	

Recent and Proposed Tax and Business Changes

Minimum Wage Increase

The minimum wage increases on 1/4/14 to 14.25 per hour.

Mixed Use Assets

The taxation of mixed use assets used to earn income privately has changed as from 1/4/13. The asset must not be in use for 62 days and is used privately. There are some limited exemptions regarding the level of income (gross income of less than \$4,000) and cost of the asset.

Employee Allowances and Payments

Inland Revenue has now finalised its rulings regarding allowances, clothing, accommodation and other benefits provided to employees. The general position now is far less beneficial to both the company and the employee.

Overseas Travel

Inland Revenue has revised its position regarding the costs of a companion/spouse who travels overseas and generally these costs will not be tax deductible. There remain some situations where a claim might be made so please discuss this with us before you travel.

Foreign Superannuation

From 1/4/14 the position will generally be that any amounts you receive will be taxable income. However if you made application prior to 31/03/14 this may still not be the case so please be aware of this.

Information Sharing

IRD are increasingly actively sharing information with and obtaining information from foreign sources including banks, tax offices and the like. If you are a New Zealand tax resident you are reminded that you are required to declare your worldwide income and also where applicable you are able to claim any tax paid thereon.

Vouchers in Lieu of Salary

IRD consider that in some instances where part of an employee's remuneration is paid in the form of a voucher this forms part of their remuneration and PAYE should be deducted accordingly. We advise that you review any such methods of remuneration to comply with this and if you are in doubt please contact us.

Black Hole Expenditure

From 1/4/13 certain types of expenditure that had previously not been tax deductible now may be so. Expenditure on resource consent applications and some company administration costs may now be tax deductible.

Financial Reporting

From 1/4/14 the financial reporting rules have been relaxed regarding the preparation of financial accounts although financial statements are still generally required by companies, trusts and partnerships. One change that we will need to discuss with you is IRD's requirement to disclose all related party transactions.

Working For Families

From 1/4/15 there will be additional items added to the list of payments that are excluded from the definition of family scheme income in relation to WFFTC. These items are largely capital items (e.g. repayment of a loan) or windfall gains (e.g. proceeds from gambling).

If you think you may be affected by any of the above actual and/or proposed changes then please contact us to determine what if any tax consequences these may have.

[Help us to help you](#)

Letter of engagement and terms of trade

We are obliged as members of NZICA to have a signed engagement letter from you before we are able to commence any work for you, your company or your trust.

If you have not already signed and return to us a Letter of Engagement can you please contact us and we will send one out to you.

Personal tax information form

This form asks for details on your personal tax situation and must be completed by everyone for whom we will file a personal income tax return.

In addition, there are supplementary forms for those with overseas investments so if you have such investments then please complete these forms and send to us, along with your personal tax information.

For those of you who receive dividends the share registries offer a service (for a small fee) to compile a list of dividends and interest paid to you. If you are not sure that you have all this information we encourage you to consider making use of this service as it will likely save time in the preparation of the tax returns.

Business information checklist form

The checklist is a prompt to make sure you have assembled all the necessary information in the right format. If you provide full and accurate information at the outset, we will be able to complete your accounts faster – so it is worth taking the time to go through this checklist carefully.

Home office claim form

As these costs do change from year to year particularly with recent increases in rates, waters, power charges and insurance, it is not only important but in your interest to complete this form and provide a copy to us.

Website

www.rplnz.com

The website contains updated information and certain forms that you may need. Please check this out from time to time.

We again look forward to helping you wrap up this past financial year and plan for the coming year. Please don't hesitate to contact any of us if you need help compiling your year-end information.

Kind Regards from Ben Lim, Lynne Reindler, Tony Caughley and the team at RPL.

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