

AUTUMN NEWSLETTER

March 2019

Blackburne Group Core Values

We have recently completed an in-house project to define the Blackburne Group Core Values.

Core Values are the essence of a company's identity; they support the vision and shape the culture of an organization. On a more practical level, they act as "decision-making filters" for daily business operation, aligning the team's thinking and acting, and build better working relationships, both within the team and also with you, our clients.

Blackburne Group's Core Values are displayed in our Taupo and Whangarei offices and we wanted to share them with you in this newsletter as well.

Do you know what the Core Values of your business are?

If you don't have Core Values that define expectations and behavior within your business, then contact Deb McCarthy in the Taupo office today.

OUR VALUES

DELIVERING EFFECTIVE BUSINESS SOLUTIONS EFFICIENTLY



TIPS for Year-End

Staff expenses: If you owe employees holiday pay, bonuses, long service leave or redundancy payments, you can claim for these now — as long as they are **paid within 63 days** of the balance date.

Can you fix it? If you've got any significant maintenance or repairs on the cards, do it before year-end and save on tax.

Turn fun into savings: Do you know which entertainment expenses you can claim 100% of? It's worth finding out — ask us if you need clarification.

Look at your fixed assets: Do you have any you're no longer using or don't plan to use in the future? If so, you may be able to write off the book value.

Vehicle use? If you have maintained a logbook throughout the year to record the business use of a vehicle, please provide details of this to us.

Home office: It's also a good time to review what home office expenses may be available for deduction, especially your home office. We can help with calculating this.

Year End Bank Statements: Make sure you have a copy of the bank statement that shows the balance at 31 March 2019, for each of your business bank accounts. Scan and email this to us straight away to save time searching for it at a later date.

Minimum Wage Increase

More than 200,000 New Zealanders and their families will benefit from the minimum wage increase to \$17.70 per hour (up by \$1.20), **effective from 1 April 2019**.

The starting-out and training minimum wage rates will increase from \$13.20 to \$14.16 per hour (remaining at 80% of the adult minimum wage).

The Government has set indicative rates of \$18.90 from 1 April 2020 and \$20 from 1 April 2021.

TRUSTEE OBLIGATIONS

Are you a trustee of a trust? If so, are you aware of your duties and obligations as a trustee?

Do you know that as a trustee you are personally liable for any breach of your fiduciary duties and can be held personally liable for any debt incurred when acting as a trustee, regardless of whether you benefit personally from the Trust.

Do you need help to better understand what it means for you to be a trustee? If so, give us a call today

PAYDAY FILING

You may have seen or heard the advertisements running on TV and Radio lately from Inland Revenue, talking about “Payday Filing”, which is becoming compulsory on 1 April 2019.

How is this going to effect you?

From 1 April 2019 employers must:

- file employment information every payday instead of an *Employer monthly schedule (IR348)*
- provide new and departing employees' address information, as well as their date of birth - if they have provided it to you, and
- file electronically (from payday compatible software or through myIR) if your annual PAYE/ESCT is \$50,000 or more.

Note: The due date for payment of PAYE remains the same at the 20th of the following month (or 5th and 20th **of the month for twice-monthly filers**).

The major payroll software suppliers are telling us that they are ready for this change and it should be fairly straight forward, being a simple step at the end of your payroll processing each pay period. If you prepare your own payroll, make sure you check with your software supplier **BEFORE 1 April 2019**, that they are compliant with this feature.

IRD believe too, that it will be straight forward, however the proof will be when it actually gets underway. Undoubtedly there will be some teething issues, so contact us if you are experiencing difficulties.

If we currently prepare your payroll for you, or you are using Crystal Payroll Bureau and they are filing your PAYE information each month, you won't notice any visible change in how it operates. We may require more information than in the past when you start or terminate an employee, but we will deal with this on a case by case basis. Also, you do not need to 'opt-in' yourself as it will be done for you by ourselves or Crystal, whichever applies to you.

Payday filing **MUST** be done **within 2 working days** of the day on which you pay your employees, so the timeframe is tight (if filing using paper-based returns, the timeframe is 10 days).

Prior to compulsory payday filing on 1 April 2019, you have the ability to 'opt-in', using your myIR account on-line with Inland Revenue. If you do not 'opt-in' by 1 April 2019 then IRD will automatically do this.

Follow the link below to read more about this development and for the steps to 'opt-in' during this month: <https://www.ird.govt.nz/campaigns/2018/campaign-payday-filing.html>

As always, do not hesitate to contact us if you are having any difficulties or want to know in more detail how this will impact on your particular situation.

Disclaimer

This publication has been carefully prepared, but it has been written in general terms only. The publication should not be relied upon to provide specific information without also obtaining appropriate professional advice after detailed examination of your particular situation.