

December—2019 Season's Greetings!

Wishing you a safe and happy Christmas and a prosperous New Year!

Our office will close on 20 December 2019 at 3pm and reopen in the New Year on 13th January 2020



Work. Sleep. Eat. Repeat?

Find a better balance with these helpful hacks

Working harder is not always smarter. Burnout is common among business owners and staff who are pushed to the limits. Ultimately, it's not good for business or your personal life to be burning the candle at both ends. But how on earth are you expected to fit it all in?!

Here are some useful ways to create a crystal clear line between work and the rest of your life.

Draw the line: Switching off at the end of the day requires discipline. When you get home, turn off your notifications (Slack, Facetime, everything!) and make a point of saying to yourself: 'I'm going home and I'm going to be me.'

Prioritise: Write down what you do each day, week, month and how long it takes you. You'd be surprised how many opportunities you'll find to manage your time better.

Set ground rules: It's way too easy to ditch the gym/friends/family to finish off that 'last thing' at work. Make a list of unacceptable personal actions and check it often to make sure you're respecting your own boundaries.

Get your 'om' on. Meditating, or stopping to take five deep breaths does wonders for your stress levels. Next time you're waiting for something (traffic, coffee, a creative idea to emerge), just breathe.

Delegate at work AND at home: The more time you spend working 'on' your business, the better - so delegate the repetitive, time consuming jobs or the admin/accounts work to other staff members or outsource. Are you spending precious week-end hours doing things you don't enjoy? Could you hire someone else to take them off your hands?

Use the Christmas Break to relax and recharge

New Trust Law

The Trust Act 2019 passed on 30 July 2019 and replaces the Trustee Act 1956. The Act clarifies and modernises existing trust law and comes with some significant changes particularly for Beneficiaries. The new law takes effect from 30 January 2021. We will be contacting you before then to advise of the impact on your trust as a result of the changes to Trust Law.

Motor Vehicles

A reminder that your company owned work related vehicle (ie van/ute) **MUST** have permanent prominent signage and the colour of the logo and wording must not blend in with the colour of the vehicle. Ensure that any employees (and yourself if shareholder employees) sign a letter to confirm the use of motor vehicles for business purposes only.



Christmas Holiday Pays

With Christmas looming, now is a great time to remember your obligations as an employer to your staff regarding annual leave...

If your business intends to close over the Christmas period, you are obliged to give your employees notice of closure 14 days prior.

Employees are required to use their **entitled** leave to cover the closedown period, if they don't have enough entitled leave, they can also use **accrued** leave.

Please remember, paying out all employee holiday pay at the end of the year is no longer an option.

You DO NOT have to agree to cash up annual holidays – as an employer that is your prerogative. If you do agree, the employee can only cash up to one week, as long as they have been in your employment for more than 12 months and, have adequate **entitled** annual leave.

We will be in contact with you in due course if we administer your payroll, to obtain all necessary information. Save yourself the stress of last-minute queries and get your holiday payroll organized sooner rather than later.

Need help? - Phone or email Kath to discuss: kath@blackburnegroup.co.nz phone 0508 376 0092 extn 812

Helpful website: www.employment.govt.nz/leave-and-holidays

Tax updates:

2020 Provisional 2P

We are currently emailing you your 2020 provisional tax letters which are due for payment at the IRD by 15 January 2020. Watch your inbox – if you do not receive, check your junk or spam mail. (*You may need to contact your e-mail provider for assistance*). If you have not received a letter, and you think you should have provisional tax to pay, please contact Diana at our office on 0508 376 0092 extn 811 or email diana@blackburnegroup.co.nz

Ring-fencing of Residential Rental Losses

It's official, property investors will no longer be able to deduct their expenses relating to their loss-making residential investment properties from their other sources like salaries, wages or business profits. The changes are now in force and will apply from the start of the 2019/2020 financial income year.

IRD moving on from cheques

From 1 March 2020 IRD will no longer accept payment by cheque, or cheques dated after 1 March 2020 from customers who are able to pay another way.

Payment options accepted:

- My IR: Direct debit and card payments can be made from myIR
- Online banking: One-off or scheduled recurring payments can be made using online banking
- Credit or debit card via IRD website: Go to IRD website and search for "Make a payment" select "Pay using credit or debit card"
- Westpac: EFTPOS or cash payments can be made at any Westpac branch or Smart ATM

Tax updates continued:

October-November 2 monthly GST

We are busy processing these GST returns for you *before* the Christmas break. Please have your information to us ASAP.

A reminder the GST payment is due at the IRD by 15th January 2020

Undeclared cash job

The IRD have alerted that they are looking hard at tax crime in the construction industry. They will be contacting tradies to encourage them to declare all of their income through their GST and income tax returns. We remind you that any undeclared cash jobs can have negative consequences resulting in tax penalties, a criminal conviction and even prison time.

Investment Rates for RWT

If you earn:

- \$14,000 or less, choose 10.5%
- between \$14,001 to \$48,000, choose 17.5%
- between \$48,001 to \$70,000, choose 30%
- over \$70,000, choose 33%.



If you don't give your provider (Bank) your IRD number or let them know what tax rate they should use, from 1 April 2020 they must tax your interest and investment income at 45%. If this rate isn't correct you could pay too much tax.

Rates for PIR

If your investment is in a Portfolio Investment Entity (PIE) — for example managed funds like KiwiSaver — you pay tax at a different rate, known as PIR. Depending on your income, you pay between 10.5% and 28% tax. If you are unsure contact us to check which rate is correct for you.

Jokes

Q: How many accountants does it take to change a light bulb?

A: Two – one to change the bulb and one to check it was done within budget



XERO ASSISTANCE PROGRAMME (XAP)

News from Xero re their (XAP) pilot to all their Xero partners and starter, standard and premium subscribers. This has been extended for an additional 12 months.

If you are a [Xero partner](#), you, your employees and your families can access face-to-face, telephone, live chat and online counselling sessions, as well as the BeneHub and Benestar app. XAP can help with all aspects of life - physical, mental, social and financial. This direct counselling support service is available at [no cost to you](#) and it's completely confidential.

To use the service:

- free phone 0800 360 364 and use the access code **XEROCUSTNZ**
- access online at xero.com/nz/xap

What nationality is Santa Claus?"

North Polish

Why is Santa so good at karate?

Cause he's got a black belt

How do you help someone who's lost their Christmas spirit?

Nurse them back to elf

What's the absolute best Christmas present?

A broken drum – you can't beat it



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.