

November 2025 Newsletter



FOREST INDUSTRY CONTRACTORS ASSOCIATION

Forest Industry Contractors Association (FICA) Costing Workshop

On 23 September in Gisborne our very own Mark Blackburne co led a pilot workshop with FORME Consulting's John Scridler and Kevin Reardon on costing—understanding and managing forestry costs, rules of thumb, practical examples and candid reflections that sparked real change. The pilot also highlighted the need to revisit the LIRO ratesetting models—a conversation FICA will continue with FORME. And it reminded all of the value of the Business Management of Logging (BMOL) document, which underpins much of the workshop content and deserves wider recognition.

The next Costing Workshop (Let's talk real numbers) is in Rotorua on 12 November, again presented by Forme Consulting and Mark.

Visit FICA website to register—be in quick as numbers are limited.
www.fica.org.nz/costing-workshop



Inland Revenue Te Tari Taake

Severe weather conditions in late October for Canterbury, Clutha and Southland important notice from IRD (24/10/2025)

If you have been affected by the severe weather conditions, you do not need to contact IR right now. Please focus on recovering from the damage caused. When you can, contact IRD via myIR including the word 'weather' or call IR on their disaster line 0800 473 566.

Penalties and interest

IR can remit any late filing and payment penalties and some interest if you're affected by this event. You will need to let them know as soon as you reasonably can that you are unable to pay tax by the due date. You'll need to:

- describe how the weather event has affected you
- ask for these to be removed
- have paid the core tax as soon as you reasonably can.

For this event, IR can remove interest up to 31 January 2026 if you're in the Canterbury and Southland regions and Clutha district.

Help for you or your family

IR may be able to help with your personal tax, KiwiSaver, or student loan payments. For child support or Working for Families payments, you'll need to let IR know if your situation has changed.

Please note that our offices will be closed on Friday, 28th November as our team heads to the beautiful Hawke's Bay for a day of team building, Christmas celebrations, and of course, the partaking of fine wine and delicious food.

We'll be back, refreshed and ready to assist you, on Monday, 1st December.

Thank you for your understanding and continued support.





Diwali was celebrated in the office - October 25

XERO tip

Easy bank feed notifications

Xero have introduced bank feed disruption notifications in the bank search flow - to alert you when planned maintenance by your financial institution is underway and your bank feed connection can't be done straight away.



IRD is chasing tax its owed!

IRD are targeting customers who have repeatedly not engaged with IR and those where information IRD have indicates there may be funds in customers bank accounts that could be deducted to pay off existing tax debt. Since mid June 2025, IRD have sent out 16,500 notices about planned bank deductions—and we've heard it's not just funds in the bank account they're targeting—they're taking up to the OD limit!

During the covid years IRD gave significant leeway, now with some debt becoming quite old, IRD is trying to collect this quickly before it becomes non-collectible.

Don't ignore IRD letters or requests to pay. Phone Diana and she will assist with setting up payment arrangements that are suitable to your cashflow.

Diana can be reached on ext 811



Upcoming ACC Changes (effective 1 April 2026)

Levy System Updates

No Claims Discount will be removed - Businesses will no longer receive a 10% discount for having no work-related injury claims or a 10% loading (for businesses that have a work levy less than \$10k)

Experience Rating Subsidy will be fully removed - meaning businesses will bear the full cost of their claims history (for businesses that have a work levy of more than \$10k)
Interest Charges Overhaul—a new methodology will be introduced for calculating:

1. Payment plan interest
2. Credit interest
3. Penalty interest

Interest will now apply to 3-month and 6-month payment plans, which were previously interest-free.

Expenditure with NO GST claim!

Vouchers you give to staff

- You generally cannot claim GST on the purchase of a voucher if GST is not charged at the time of purchase.
- Most vouchers (e.g. gift cards) are not subject to GST when sold — GST is only applied when the voucher is redeemed for goods or services.
- Because no GST is charged by the issuer, you cannot claim input tax on the purchase of the voucher.
- If you provide the voucher to an employee, it may be considered a fringe benefit, and FBT may apply. However, if you cannot claim GST on the purchase, the FBT value is treated as nil to avoid double taxation



Police Fines

- (speeding tickets, parking infringements issued by the police) are considered penalties imposed by statute. These fines are not payments for GST, so they do not qualify as taxable supplies—therefore NO GST is charged, and you cannot claim GST on the expenditure.

Local Authority Fines

- (traffic enforcement fines issued by local authorities eg councils) are not subject to GST and you cannot claim GST on the expenditure.



PAYROLL updates



The Employment Relations (Employee Remuneration Disclosure) Amendment Bill came into effect on 26th August 2025.

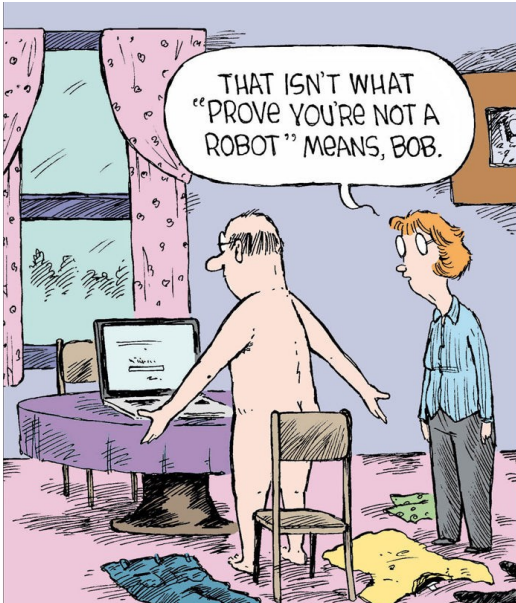
It makes it illegal for an employer to take adverse conduct against an employee for disclosing any details around their remuneration to another person - The goal is to promote fairness.

While existing employment agreements with pay confidentiality/secretcy clauses don't need to be screwed up and thrown away, attempting to enforce such a clause would now be deemed unlawful.

Employees can now raise a personal grievance if they face adverse treatment for disclosing their pay, but they must prove it likely wasn't for another reason.

This change supports fairer workplaces and helps address pay inequities. Please review employment agreements and internal policies to ensure compliance, OR give Katya a call and she can assist you with this.

If you have any payroll queries, give Katya a call on ext 816



FBT & Work-Related Vehicles – Key Compliance Requirements

If your business provides vehicles to employees, including shareholder-employees, FBT may apply even if the vehicle is not actually used privately — it's enough that it's available for private use.

Work-Related Vehicle Exemption

To qualify for the FBT exemption, the vehicle must:

- Be permanently signwritten with company branding.
- Have a gross laden weight of 3,500 kg or less
- Be mainly designed to carry goods, or goods and passengers equally.



Additionally, employers must:

- Issue a letter of restriction to employees stating the vehicle is not available for private use, except for travel between home and work or for business-related travel.
- Conduct quarterly (3-monthly) inspections to confirm the vehicle is being used only for work-related purposes.
- Keep records of these inspections.

When FBT Applies

- If the vehicle is made available for private use on any day (even if not used), the exemption does not apply, and FBT is payable.
- A common error is that Sign-written Double cab utes are considered work related as they are dual purpose vehicles. However — they still need to meet all exemption criteria to avoid FBT.

Changes to sharing information about unpaid tax

From 13 October, IR are running a pilot where selected businesses will be formally notified of their outstanding debt. If no positive action (ie instalment arrangement sorted) IR will credit report business via Centrix. The formal notification (Notice of Intent) will appear on the company's myIR and the registered office will receive the notice via courier. Not all individual directors will be notified.

IRD Systems update—The weekend of Saturday 6 and Sunday 7 December 2025. myIR, gateway services, self-service phelines and other systems will be unavailable during this weekend. IRD Website will remain available and you'll be able to make payments through your normal banking channels.

Changes to FamilyBoost

From 1 October there are 3 key changes:

1. The threshold for household income is now \$57,286 each quarter.
2. The amount that an eligible family can claim has increased to 40% of early childhood education costs, or a maximum of \$1,560 each quarter.
3. The abatement rate is now 7% for household income over \$35,000 each quarter.

These changes are designed to help ease the cost of early childhood education for families across Aotearoa

Contact Diana on ext 811



Melbourne Cup at Blackburne Group 4th November 25



Enduring Power of Attorneys (EPOA) What is this and why do you need one?

In New Zealand, there are two types of EPOA, each serving a different purpose to help protect your interests if you become unable to make decisions for yourself:

1. Personal Care and Welfare

Purpose: Allows someone you trust (your attorney) to make decisions about your health, wellbeing, and living arrangements.

- You can appoint only one attorney for this type.
- It only comes into effect if a health practitioner determines you've lost mental capacity.

Your attorney can make decisions about things like:

- Medical treatment
- Where you live
- Day-to-day care and support

2. Property EPOA

Purpose: Allows your attorney(s) to manage your financial affairs and assets.

- You can appoint one or more attorneys, and they can act jointly or severally.
- You can choose whether it takes effect immediately or only if you lose mental capacity.

Your attorney can:

- Pay bills
- Manage bank accounts
- Buy or sell property
- Handle investments

Without an EPOA, your family may need to apply to the Family Court to be appointed as a welfare guardian or property manager.

This process is costly, time-consuming, and emotionally stressful

Not Just for Older People

Accidents and health issues can affect anyone, regardless of age.

Setting up an EPOA while you're healthy is a preventative and protective measure.

Talk to your lawyer today if you don't have an EPOA

Cyber Smart Week

Takes place every October and has a strong focus on encouraging New Zealanders and organisations to adopt strong cyber behaviours. Now in its ninth year, this programme is led through the National Cyber Security Centre Own Your Online communications platform and has amassed a huge number of passionate organisations and community groups who support and champion the week.

To simplify and ensure your cyber security visit their website www.ownyouronline.govt.nz

then click on Own Your Online (top left hand of screen).



Get to know the Blackburne Group Team

Lola

Lola is the heartbeat of the office, bringing sass, snorts, and side-eye to every spreadsheet review. With a snore that rivals a chainsaw and a stare that could audit your soul, she ensures the team stays both humble and entertained. Lola brings with her 3+ years of experience in being adorable, is fluent in passive-aggressive sighs and certified in "I'm not mad, just disappointed" looks. Lola spends her spare time doing Zoomies at sunset. Because nothing says "living the dream" like a turbo-charged potato with legs tearing across the lakeside in pure, unfiltered joy.



Insurance Fact

New Zealand's 10 largest insurance companies collectively recorded over \$1 billion in profit in 2024, as insurance premiums soared more than 40% in just two years.

Review your insurance renewals and if in doubt ASK why the price hike!



BEHIND THE SCREAMS AT BLACKBURNE GROUP – HALLOWEEN – 31ST OCT 25



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.