

# Winter Newsletter

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## Fieldays 13<sup>th</sup> – 16<sup>th</sup> June 2018

The Fielddays wouldn't be the same without the rain!



## Celebrating 50 years

It's a great opportunity to find out what's the latest and to keep up with technology and innovation.



## Housing Budget 2018

December's mini-budget allocated \$2.1 billion for Kiwibuild to deliver 100,000 affordable houses across the country, including 50,000 in Auckland over the next 10 years.

Budget 2018 commits more than \$1 billion in new funding towards housing, including \$369 million in new capital funding. This includes increased state housing and grants for heating and insulation.

This is clearly targeted as a welfare measure but injecting money into construction generally has a ripple effect through contractor businesses stimulating growth.

*"Someone is sitting in the shade today because they planted a tree a long time ago"*

*"Warren Buffett"*



Left to right

Jeanette, Charlotte, Steve, Shirley, Kelly, Jeanette, Heather, Carli



**Being in business is a bit like going on a joyride on a bus to "success".**

- Are you on the right bus?
- Is your bus taking you to the right place?
- Do you have the right people on the bus?
- Do you have the right people in the right seats on the bus?
- Is there someone pulling on the handbrake, while you are trying to put your foot on the accelerator?

# Tax Talk

## Tax Refunds

### Doing it yourself...

Visit [www.ird.govt.nz](http://www.ird.govt.nz)

Go to right hand side click on **myIR**.



### Not registered?

Then you will need to register for a "myIRD login" before you go any further.

### \$520 Credit...

For any wage earners earning between \$24,000 - \$48,000 you are automatically allocated a \$520 credit towards your calculation (subject to conditions on application)

Thousands of people do not apply for their tax refunds that are in this bracket!

Do you know someone that should get a tax return done?

**You can go back 3 years & could be worth looking into!**



## Tax Update (NZ Budget 2018)

### Tax Credits for research and development

#### Ring-fencing investors' tax losses on rental properties

so they cannot be offset against other taxable income to reduce net tax paid.

**5 Year Bright-line test for residential property** determines if you have tax to pay on the sale of a residential property. This has changed from buying and selling within two years to now 5 years, having an effect on property investors & the market.

**Changes to bloodstock tax rules** for the New Zealand racing industry attracting new investment to the breeding industry.

## Retiring?

NZ superannuation starts at the age of 65 years.

NZ superannuation and veteran's pension are paid fortnightly on a Tuesday.

These rates are classed, having an 'M' tax code, before tax (if you are on another tax code you may get less) –

- \$926.08** - living alone or with dependent child
- \$851.10** - living with someone who is 18 or older
- \$701.52** - living as a couple, what you receive individually

Superannuation is reviewed and updated 1<sup>st</sup> April annually.



Up to  
**\$521 free**

## Kiwisaver

### If you are a Kiwisaver investor...

Please make sure you get your maximum member tax credit from the Government.

You need to **contribute at least \$1,043** between 1 July 2017 and 30<sup>th</sup> June 2018 each year.

By topping this up it will entitle you to the **\$521 government credit**.

We encourage you to **top up before 24<sup>th</sup> June** to make sure your contribution is processed by the Kiwisaver year end date of 30<sup>th</sup> June 2018.



## Don't be fooled



## IRD Scams are around!

It could be by  
**email or a phone call**

...especially at this time of the year with tax refunds.

**Don't agree to anything or disclose your bank account number**

These people are good at how they present themselves, by phone and by email.

**IF IN DOUBT**

**say you will get back to them and phone**



## Take a look...

**IRD website**  
[www.ird.govt.nz](http://www.ird.govt.nz)

Learn more about your business and what is required.

Go to –  
right side of screen  
click on Demos and Videos

**it's quick, easy and interesting!**

## Tax Dates Coming Up

### 28<sup>th</sup> June

**GST returns** and payments due for period ending 31<sup>st</sup> May due 28<sup>th</sup> June 2018.

### Provisional Tax Payments due 28<sup>th</sup> June 2018

**31<sup>st</sup> May balance date** – 3<sup>rd</sup> provisional tax instalment

**31<sup>st</sup> March balance date** – 1<sup>st</sup> provisional tax instalment

### 30<sup>th</sup> June

**FBT** due for annual payments due 30<sup>th</sup> June 2018.

## Health (Budget 2018)

An extra \$750 million has been allocated to capital spending and an additional \$3.2 billion to operational funding over the next 4 years.

**The additional funding is ticketed against a long list, including –**

- Relieve pressure on the DHBs
- Free up queues for elective surgery
- Boost fees for midwives
- Improve air ambulance services
- Extend bowel cancer screening
- Pilot an integrated therapies mental health scheme for young
- Free doctor's visits for everyone under the age of 14
- Low cost GP visits for all community service card holders

## Mycoplasma Bovis



*This is the most severe economic biosecurity issue to hit New Zealand.*

**Mycoplasma Bovis** is the worst economic pest or disease to land in NZ.

The cost of eradication has recently been estimated at \$886 million over 10 years.

Multiple tests are required over months to detect.

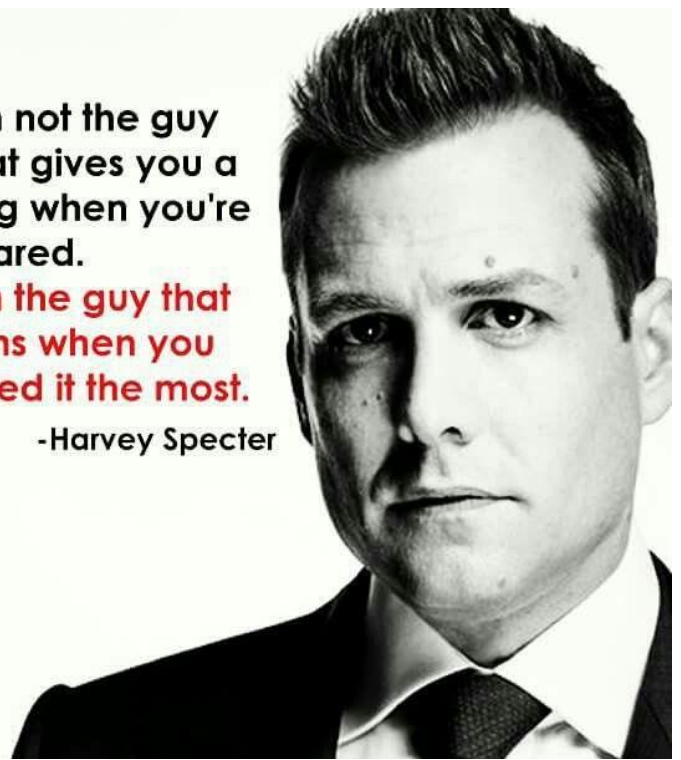
Meat & milk from affected animals are safe for humans.

The last serious issue was the PSA bacteria which hit the kiwifruit industry in 2010.

**I'm not the guy that gives you a hug when you're scared.**

**I'm the guy that wins when you need it the most.**

-Harvey Specter



## Education (Budget 2018)

**\$1.6 billion** has been allocated towards new operating funding over four years being a 45% increase on last year's budget.

**\$395.8 million** in new capital funding for better schools affecting hundreds of new classrooms seems to be a start, along with an additional 1,500 teachers in our primary and secondary schools across the country over the next four years.



### School Holidays:

#### Term 2 Holidays

Saturday, 7<sup>th</sup> July to Sunday, 22<sup>nd</sup> July 2018

## Time to review your ACC?

With a lot changing on the farm and in your business at this time of the year, it is important to consider your structures.

There are a number of factors that can impact your ACC payments.

**Selling** your farm or business

**Changing** your business activity

**Employing** more or less staff

**Status Change** from your full time or part time status

**Status Change** in self employed or employed status

## Vision, Vision, Vision =

**a snapshot** of the future

**a clear thought** of what to do

**what we aspire** to become, to achieve and to create





**We also do...**

## Bookkeeping

GST Returns, budgeting, financial planning, debtors and creditors

## Business Mentoring

This is Steve's expertise, and he enjoys helping businesses reach their full potential.

## Budgeting & Key Performance

Plan and reach your target! We can provide monthly report tracking and regular meetings to analyse.

## Accounting Packages

Pay monthly instead of one-off invoices. These can be tailored to suit your situation, and what you need as indicated above.

## Business Health Check

A complete review of business structures, processes, systems, latest changes in tax laws and how it affects you.

## Succession Planning

Insurances - death and illness. Are you prepared?  
Wills - talking to family. Have you made a plan?



**We are off to the movies!**

There's nothing like a good movie in this cold weather!



ACCOUNTING. ADVISORY. BUSINESS MENTORING

8 Teasdale Street | PO BOX 173 Te Awamutu | 07 871 3430 | admin@sgca.co.nz

## Office Details

### Office Hours

8.30am to 3pm – Monday – Friday

### Steve and Kelly

available daily 8.30am – 3pm

### Carli (Chartered Accountant)

9am to 2.30pm daily

### Charlotte (Chartered Accountant)

9am – 3pm Tuesday, Wednesday, Thursday

### Heather (Accountant)

8.30am – 3pm - Monday, Wednesday, Thursday, Friday  
1pm – 3pm - Tuesday

### Jeanette (Bookkeeper)

8.30am to 3pm Tuesday, Wednesday, Thursday

### Julie (Tax Administration)

8.30am to 3pm Monday, Tuesday, Wednesday, Thursday

### Shirley (Administration)

8.30am – 10.30am Monday, Wednesday, Friday

**Do you have a 31<sup>st</sup> May balance date?  
If so...we need your stock figures**

## Secure Email Bookshelf for financials/documents



Think of this as having your own **bookshelf** of financial folders (letters, invoices, annual accounts, gst, taxes, etc)

This is a very confidential system between you and us. You can upload documents to us, and us back to you!

Contact us if you would like to register to gain access with a password to access at anytime and as many times as you need to.

**100%**

### SGCA – IRD 2017 filing

Congratulations to our team on reaching a target of **100%** with the IRD for our 31<sup>st</sup> March filing date. **“well done”**

**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.