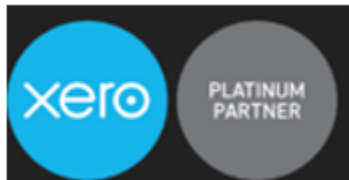


SGCA Winter 2025 Newsletter



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Weekly Office Hours
Tues, Weds, Thurs
9am – 3pm

Remote days from home
Mon & Fri, 9am-3pm

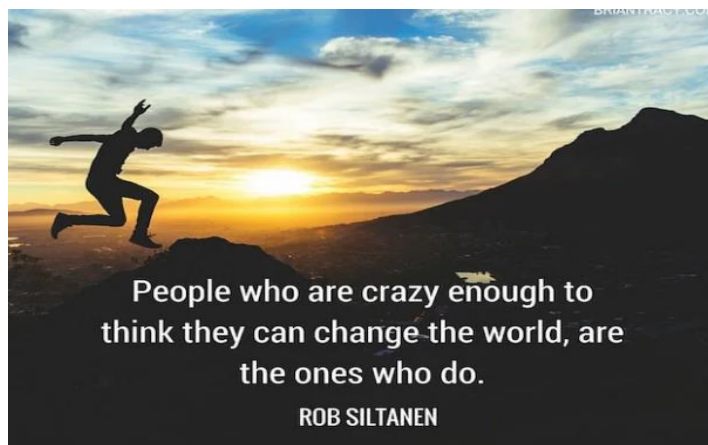
From Steve....

You've only got to wake up on a beautiful frosty Waikato morning to remember what a beautiful part of the country/world we live in.

Add to this the impact of our three major agricultural industries, dairy, beef, sheep all having really strong prices.

The NAMV (herd) values were announced a few weeks ago, reflecting a very strong market for all three as follows –

National Average Market Values (NAMV) Stock Price Comparison		
Livestock	2025	2024
Beef		
Rising 1 Year Heifer	944.00	671.00
Rising 2 Year Heifer	1,521.00	1,145.00
Mixed Age Cows	1,865.00	1,304.00
Rising 1 Year Steers & Bulls	1,181.00	855.00
Rising 2 year Steers & Bulls	1,741.00	1,292.00
Rising 3 Year+ Steers & Bulls	2,172.00	1,633.00
Breeding Bulls	3,534.00	2,878.00
Dairy		
Rising 1 Year Heifer	1,007.00	676.00
Rising 2 Year Heifer	1,826.00	1,433.00
Mixed Age Cows	2,111.00	1,609.00
Rising 1 Year Steers & Bulls	967.00	585.00
Rising 2 Year Steers & Bulls	1,600.00	1,017.00
Rising 3 Year+ Steers & Bulls	2,048.00	1,321.00
Breeding Bulls	2,290.00	1,813.00
Sheep		
Ewe Hoggets	147.00	101.00
Ram & Wether Hoggets	145.00	101.00
Two-tooth Ewes	201.00	159.00
Rising 5 year+ Ewes	148.00	106.00
Mixed Age Wethers	111.00	79.00
Breeding Rams	310.00	309.00



OCR Rate – 3.25%

Announced 28th May at 2pm

The Reserve Bank of New Zealand lowered the OCR by 25 basis points. This was made to influence interest rates and manage inflation.

Next OCR Rate Announcement – 9th July 2025

Customs Goods Clearance fees

If your business imports or exports goods, there are some important changes coming you'll want to know about. Goods clearance fees are changing from 1st July 2025.

Talk to your customs broker or freight forwarder to understand how these changes might impact your business.

“Go the Chiefs”





Inland Revenue
Te Tari Taake

Understanding your tax payments – the ‘square up’

Upon completing your Financial Statements for your financial year, there is a square up of the income earned for the 12 month period ending on your balance date for terminal tax.

This square up is payable over the next 12 month period from your balance date, with the official IRD date being 7th April the following year (if you are linked to SGCA).

If your income tax due is over \$5,000 – you then fall into the ‘Provisional Tax’ bracket. This is a tax scheme where you are required to pay three payments in advance for the next year’s tax. This figure is calculated on the previous year plus an additional 5%.

Upon us completing your 2026 Financial Statements, we calculate the terminal tax due or refund (actual tax versus tax paid so far). If terminal tax is payable it will be due 7th April 2027 for the 2026 balance date year.

Use of Money Interest (UOMI)

If your income tax is over \$60,000, then any tax due may attract Use of Money Interest.

Do you have a Small Business Cashflow Loan?



The 5 year loan term of Small Business Cashflow Loans (SBC) contract ends in 2025.

Avoid unnecessary default interest and think about repaying your loan as soon as possible.

To check where you are at with your loan, you can do the following –

- Login to myIR to check how much you owe and when your final repayment date is.
- Make extra payments in my IR to avoid default interest charges of 13.88%.
- When making payments make sure you select your SBC loan as the debt you want to pay.
- Set up a repayment plan if you cannot repay the outstanding balance in full.
- To set up a plan, you need to send a message in myIR, call IRD or contact us for help.

Having a repayment plan in place, means your interest rate will be only 3%.



Tax payments coming up:

Please diarise, if any of the following payment dates apply to you.

Provisional Tax due

March balance date – due 28th June 2025

May balance date – due 28th June 2025

June balance date – due 28th July 2025

Terminal tax due – This was due 7th April 2025

Penalties on unpaid tax

Please be mindful of penalty charges if taxes go unpaid or payments made to the incorrect tax year, etc.

When making online payments

Please double check you are making payment to the correct year.

Inland Revenue do not match figures paid to figures due, which then results with either us or yourselves having to make a correction.

Payment Plans

We can arrange for a payment plan with IRD on your behalf.

Please contact Julie@sgca.co.nz for any queries

What is Fringe Benefit Tax?

Fringe benefit tax (FBT) is a tax payable when the following benefits are supplied to employees or shareholder-employees:

1. Motor vehicles available for private use
2. Low interest/interest free loans
3. Free, subsidised or discounted goods and services
4. Employer contributions to sick, accident or death benefit funds, superannuation schemes and specified insurance policies (excluding employer contributions to superannuation schemes liable for ESCT (formerly SSCWT)).
5. Unclassified fringe benefits.

Some entertainment expenses may be subject to FBT if they are enjoyed or received by employees.

You must keep records of different types of fringe benefits you provide to your employees.

GST Threshold - \$60,000

If you are a sole trader, contractor, in partnership or a company. As soon as you think you will be earning more than \$60,000 in 12 months you must register for GST.

If your income is over \$60,000 and you are not registered for GST, then you may incur penalties or be contacted by Inland Revenue.

NZ Budget... in a nutshell



Businesses get a tax break

Businesses can claim 20% of the cost of 'new assets', such as machinery, tools, equipment from their tax bill immediately or in the first year, & then depreciation annually thereafter.

Kiwisaver

The amount the government adds to KiwiSaver accounts has been halved to .25c for every dollar that savers deposit, to a maximum of \$261 per year. People earning more than \$180,000 a year will receive no government contribution – from 1st July 2025.

16-17 year olds (previously excluded) will start receiving government contributions in July. Employer contributions to match their deposits will commence in 2026.

The minimum contribution increases to 4% in two stages over the next 3 years.

Best Start Child Payment Scheme

This will now be income tested with payments cut off when a family earns more than \$97,000 annually.

Working for Families

An extra \$14 per fortnight to an average of 142,000 families, most earning less than \$100k.

SuperGold Card Rates - Retirees

A new income abatement threshold is being added and the maximum rebate lifted from \$790 to \$805.

Unemployed young people

18 and 19 year olds will now have their jobseeker and emergency benefits tested against their parent's incomes. (the income levels have not yet been decided by cabinet).

Prescriptions

Getting prescriptions for conditions such as asthma, diabetes, high blood pressure, etc will get easier with a 12 month prescription period commencing 2026.

Law and Order

The police are to get almost half a billion over four years to maintain front line services. Inmate numbers are forecast to hit almost 11,000 by mid 2026. The budget puts almost \$400M over four years to help meet the pressures.

Government Departments

Most government departments have received no extra funding this year, meaning they will have to absorb any increases in costs, including wages.

How the budget is spent –

\$52.15B – Social Security & Welfare	\$ 2.78B – Environmental Protection
\$31.57B – Health	\$ 2.97B – Housing & Community
\$22.67B - Education	\$ 1.32B – Primary Services
\$14.09B – Other Economic	\$ 1.54B – Heritage, Culture & Recreation
\$ 8.84B – Core Government Services	\$.44B – Other
\$ 7.45B – Debt Servicing	\$.32B – Fuel/Energy
\$ 7.6B – Law & Order	
\$ 7.6B – Defence	
\$ 5.92B – Transport & Comm	

**The bad news
is time flies.
The good
news is you're
the pilot.**



He Kaupare. He Manaaki. He Whakaora.
Prevention. Care. Recovery.

ACC accepted 2,073,112 claims in 2024.

Updates about ACC Invoicing & Levy Changes

Invoicing begins in July for employers and shareholder-employees, and September for self-employed.

Please check your account and policy information in 'MyACC for Business' to ensure your levy invoice is correct.

- Contact details
- Trading status
- Classification unit
- Working part – time (less than 30 hours per week) or full time (30 hours or more per week)

CoverPlus Extra –1st April 2025

From 1st April 2025 the levy will be based on the CoverPlus Extra cover amount instead of earnings with Inland Revenue.

This means all levies, (including Working Safer levy) will be calculated on the CoverPlus Extra amount and will be issued together on one invoice.

From 1st April 2026 you will receive only one invoice per year.

For Self Employed

You are likely to receive two Working Safer levy invoices.

2025 invoices will be calculated against the 2025 earnings and issued when they are received from Inland Revenue. 2026 invoices will be calculated on the 2026 CoverPlus Extra cover amount and issued from September/October 2025.

Key changes – 1st April 2025

- An increase in the average levy rate.
- Minimum and maximum liable earnings levels.
- New levy classification if you are in the sports or home improvements sector.
- Interest charges will apply to all instalment plans (2026)
- Businesses outside experience ratings will no longer subsidise those in the programme (2026).
- The No Claims Discount ends (2026).

SGCA New Bank Account

For those of you that haven't yet changed your internet banking details, these are as follows –

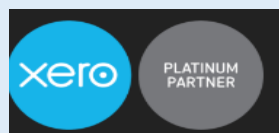
Steve Gibson Chartered Accountants Ltd
Account No: 38-9022-0330757-00



Quick Question

The Waikato River cascades down what "H" waterfall, just north of Taupo?

Email your answer to -
kelly@sgca.co.nz
Entries close
3pm, Wednesday, 2nd July
Winner notified
Thursday, 3rd July



Need help?
Then give us a call



Michael Carli Julie Kelly Steve Charlotte Jeanette

"Getting the right advice is important,
and we are here to help you."



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.

KiwiSaver – 2025 Government contribution



Have you made your minimal annual contribution of \$1,042.86 (1 July 2024 – 30th June 2025) to receive the maximum government contribution of \$521.43?

For every dollar you put into your KiwiSaver account, the government will put in 50 cents – up to a maximum of \$521.43, being the last year for this amount from the government, as announced in their 2025 budget.

The government contribution takes place on 30th June 2025 & will be the last contribution at the rate of \$521.43.

To be eligible for the 2025 government contribution you must be 18 years or older.

1 April 2026 - Employer contributions increase to 3.5%

1 April 2028 - Employer contributions increase to 4%

The minimum employer's contribution for Australia is 11.5% and increasing to 12% in July 2025

Did you know the Australian Government do not contribute to the compulsory superannuation.

Australia's superannuation scheme is compulsory/mandatory for employers, whether you are –

- Full time, part-time, casual
- You are under 18 years old and working more than 30 hours per week
- You are a private or domestic worker and working more than 30 hours per week.

**"you don't know,
what you don't know"**

Dates coming up...

Matariki Statutory Holiday

Friday, 20th June 2025

Shortest Day

Saturday, 21st June 2025

Term 2 School Holidays

Start Friday, 27th June 2025

Finish, Sunday, 13th July 2025



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