

Autumn 2024 Newsletter



What a start to 2024!



We managed to get away to the beach over our xmas break, with getting a bit of fishing, biking, boogie boarding, early morning cuppas at the beach, walks, a bit of golf and don't laugh, but I even tried to surf – and failed! I think I will stick to boogie boarding.

This time of year is a good time to tidy up office processes

- Get in early for the next year, do a stock-take
- Write off any uncollectable bad debts
- Reconcile all bank accounts in your accounting systems

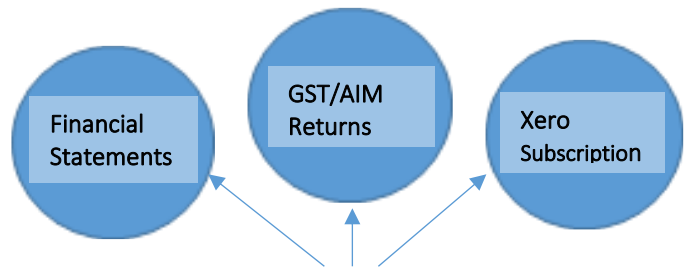
Start gathering up all paperwork that we require as at 31st March for our March balance date clients.

- ✓ Bank statements dated 31st March 2023
- ✓ Loan Statements dated 31st March 2023
- ✓ Investment Reports dated 31st March 2023
- ✓ Full Insurance breakdowns and invoices
- ✓ Any assets purchased (all information and invoices)
- ✓ Donations (receipts)

Start your financial year off right

Get your books in early for your 2024 year to know your tax position

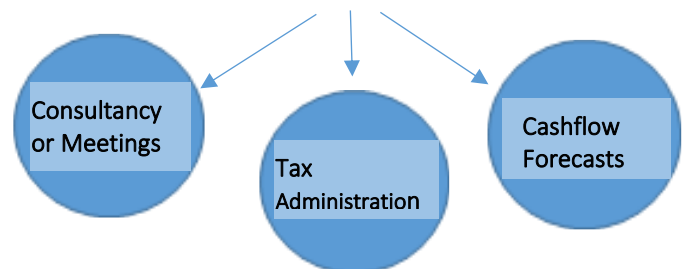
All work is processed on a 'first in – first served' basis



Accounting Packages

Wouldn't you rather pay a flat monthly fee for 12 months?

We can put a package together by bundling all your services required together as one,



The above is a guideline of services offered, however there are many, many more services available.

It's simple, we put together an annual accounting package inline with your requirements. We then email the Annual Accounting Package for you to review, and if acceptable for signing by typing your name as signature, and return.

You will then be invoiced on the 28th of each month and monthly thereafter for a monthly flat fee, payable by online banking. If interested in a package contact Kelly@sgca.co.nz

Easter Office Closure Dates

Friday, 29th March – Good Friday
Monday, 1st April – Easter Monday
Tuesday, 2nd April - Closed

Our offices re-open
Wednesday, 3rd April



“One day your life will flash before your eyes. Make sure it's worth watching.”



Inland Revenue
Te Tari Taake

Nail your tax



Some people actively avoid their tax obligations, while others may be simply struggling to keep up with the day-to-day grind.

**Take the stress
out of tax**



Handy Tips...

Record keeping – are you keeping good business records?
Records make it easier.

Expenses – do you know what you can claim for?
Understand what types of costs you can claim as business expenses.

Income tax – do you disclose all your income you earn?
Accurately record your income and expenses, keeping on top of your income tax returns and paying your income tax on time is important.

GST registered – is your turnover \$60,000 plus a year?
If you are self employed or in business, once your turnover is \$60,000 or more per year, then you need to charge 15% GST on your sales and income and pay GST. You can claim GST back from Inland Revenue on your purchases and expenses.

Employer obligations – employing?
You need to keep on top of your employer obligations. This includes making deductions from employees' pay and sending the information to Inland Revenue, otherwise known as payday filing. Deductions includes PAYE, Kiwisaver, student loan and child support.

If you find you are getting behind, or it's financially a bit too hard to make certain payments at times, then let us know, we can help, we can apply to Inland Revenue for a payment plan.

PAYE is your most important tax you will pay in business. This is not your money and this must be paid.

If you need assistance or guidelines around your responsibilities, then please contact us.
'We can help you'

Bright-line Property Rule



If you sell a residential property that's not your main home within a certain time period, you'll pay tax on any gain or profit.

This rule came in for the following –

1. You bought the property and you had an intention to sell it
2. You have a pattern of buying and selling or building and selling your main home
3. Or a person you are associated with is in the business of property dealing, developing or building and the property was bought for the business.

The Bright-line rule does NOT APPLY to your main home, business premises, farmland or an executor or administrator of a deceased estate or inherited property.

Bright-line Rules:

The date you acquire property determines which bright-line period applies – whether it is for 2, 5 or 10 years.

1. On or after 27 March 2021 and sold within 5 years for qualifying new builds or within 10 years for all other properties.
2. Between 29 March 2018 and 26 March 2021 and sold within 5 years.
3. Between 1 October 2015 and 28 March 2018 and sold within 2 years.

Since 1 October 2021, interest cannot be claimed as a taxable expense on residential property acquired on or after 27 March 2021.

The new coalition government has talked about reducing the bright-line test to two years from 1st July 2024 but nothing has been finalised as yet.

Tax payments coming up:



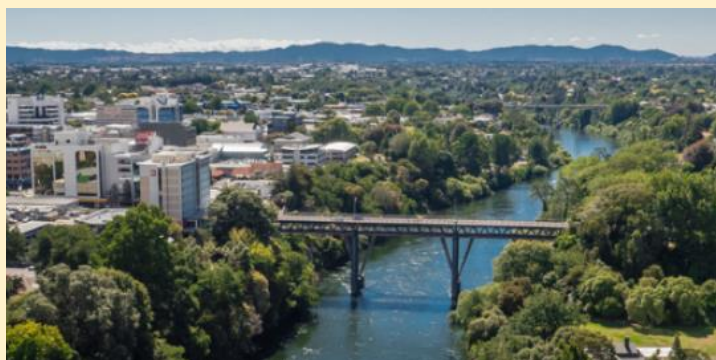
Provisional Tax due

June balance date – due **28th March**
March balance date – due **7th May**

Terminal Tax due
due **7th April 2024**

Hamilton is New Zealand's fourth largest city

'Rates are going up'

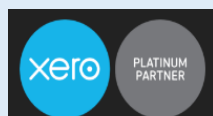


There is going to be a massive rates hike of approximately **25.5%** on the cards for Hamilton residents.

A median value property would pay an additional **\$9 per week in rates in 2024/2025.**

If you pay your rates annually up front, you will take a hit on your cash but be rewarded with a small amount of surplus cash from the discount provided.

If you pay quarterly, you will have more cash to earn interest at the beginning and pay a slightly higher annual fee in total.



GST Cashbook Subscription Increase

There has been an increase from 5 March \$25.00 to \$28.00 plus GST per month

Minimum Wage Increase

Are you ready for the minimum wage increase from **1st April 2024?**

Adult Minimum Wage

\$23.15 per hour

Training and Start-Out Minimum Wage

\$18.52 per hour

(80% of the adult minimum wage)

Historical Minimum Wages to April 2023 dating back to 2014

In force from	Adult Wage	Starting Out Wage	Training Wage
1 April 2023	\$22.70	\$18.16	\$18.16
1 April 2022	\$21.20	\$16.00	\$16.00
1 April 2020	\$18.90	\$15.12	\$15.12
1 April 2019	\$17.70	\$14.16	\$14.16
1 April 2018	\$16.50	\$13.20	\$13.20
1 April 2017	\$15.75	\$12.60	\$12.60
1 April 2016	\$15.25	\$12.20	\$12.20
1 April 2015	\$14.75	\$11.80	\$11.80
1 April 2014	\$14.25	\$11.40	\$11.40



KiwiSaver - Government contribution

Have you made your minimal annual contribution of **\$1,042.86** 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 per year.

This is for the period from **1 July to 30th June.**

The government contribution takes place on **30th June 2024.**

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

CPI adjustment - what is it?



'Consumer Price Index'

CPI is known as an annual increase on many things, and is a measure in prices paid by consumers.

For example...when did you last review your insurances?

Your insurance company should send a letter to you, explaining the CPI increase giving you the opportunity to contact them to decline. Most of the time, these letters are put in the 'too hard' basket or we simply think that we will deal with it later and don't or we are too late.



The letter gives you the opportunity to opt-in or opt-out by a required date. If you do not reply by this date, you miss out on the chance to decline for the next 12 months which means an automatic CPI payment increase.

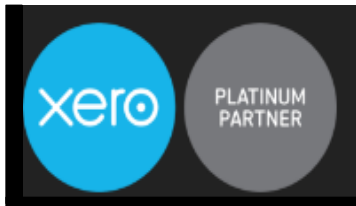
If you wish to decline the CPI adjustment, then you are required to contact your insurance company or advisor by contacting them for your requirements for declining.

Be aware, that if you make a change before the anniversary date, then this can take approximately 4-6 weeks for the changes to be made within their system.

'Food for thought'

—“—
Life is like a box
of chocolate, you
never know what
you're going to
get.

Forrest Gump



If you have any questions
about Xero or need help
then just ask one of the
team.

IRD COVID-19 Prosecutions



Since June 2022, Inland Revenue have been conducting a review of some customers/businesses who received support payments. So far, Inland Revenue have successfully prosecuted 8 customers for fraud involving \$7,789,073.00, with another 23 cases awaiting court.

How many years are we required
to keep our financial papers?

7 Years

(as required by Inland Revenue)



Enjoy what's left
of daylight savings

It all comes to an end
Sunday, 7th April 2024



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.

Please contact us if any of the content is of interest to you or would like to know more.

What's around the corner?



Potential tax changes coming

The new government have disclosed their upcoming tax plan.

The proposed changes include –

- Increasing income tax thresholds
- Increasing eligibility for the Independent Earner Tax Credit
- The Family Boost childcare tax credit
- Increasing Working for Families tax credits
- Mortgage interest deductibility reintroduced for rental properties
- Higher CO2-emitting vehicles will no longer be subject to fees

The government intends to increase tax thresholds by June 2024.

Income is taxed in accordance with the tiered levels of tax and can be subject to 5 tiered tax levels. See below

Current Tax Threshold	Proposed New Tax Threshold	Tax Rates	New Tax Threshold (earnings of \$180,000) Example:
\$0 - \$14,000	\$0 - \$15,600	10.5%	\$15,600 10.5%
\$14,000 plus	\$15,600 plus	17.5%	\$37,900 17.5%
\$48,000 plus	\$53,500 plus	30%	\$24,600 30%
\$70,000 plus	\$78,100 plus	33%	\$101,900 33%
\$180,000 plus	\$180,000 plus	39%	➤ Plus \$180k 39%



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Tues, Weds, Thurs
9am – 3pm

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Remote Days (from home)
Monday & Friday 10am-3pm