



# bennettsproactive

Nurture. Grow. Boost. Support wherever you are in your journey.



## How is it March already!

It is a scary thought that we have entered March; 3 months into the calendar and at the end of another financial year.

What a three months we have had so far! While we've hit the ground running after a relaxing Christmas break (although a lack of summer days at times), we have had to dodge the rain, the wind and even the odd earthquake. We also watched the weather rolling in in anticipation for what's coming, what we did miss was the forecast for a change in Prime Minister! While we and our families are all safe and well after the recent weather events, there are some unpleasant stories and our thoughts and wishes go out to all those that have been affected in some way.

In addition to the mother nature challenges thrown our way, there are also continuing business related challenges holding us back, such as labour shortages, rising costs and increasing demands outside of compliance scope that we continue to juggle. For us, our workflow continues to slide well behind where we should be. We are working hard to catch up and will endeavor to have most of our work done by 31 March. The exceptions are those that we are unable to for reasons beyond your or our control.

Due to recent events, we're sure there has been added pressure put on your businesses on top of the normal challenges we as business owners face. We are here to assist you if and when you need, at any time. There are also the upcoming tax payment dates that could contribute to cashflow pressures so we ask that you let us know if you need some relief before the due dates approach. The Inland Revenue Department have been very accommodating in this space; however, we can't stress enough that you reach out to us earlier rather than later if you are in need of assistance or to find out what your options are.

### IN THIS ISSUE:

*Page 2*

▶ **End of Year Tax Planning  
Tax Updates**

*Page 3*

▶ **Xero Seminars  
Key Tax Dates**

*Page 4*

▶ **Staff Update  
ACC Policy Renewals**

## 2023 Workflow Scheduling

We will soon be preparing our 2023 year workflow work scheduling. Once this has been finalised, we will let you know when your work is expected to be completed. If for some reason you wish for your work to be at a specific time or if your work is urgent, please let us know and we will try our best to accommodate your request.

We continue to look to grow our Accounting Specialist team for the 2023 year work and part of our planning will require some shuffling of responsibilities internally. We are confident with our decisions that our service delivery will continue to meet your expectation; however please do let us know if you have any concerns here.

For those clients that maintain a paper copy of financial records, we expect your 2024 annual folders will be ready for collection after the Easter break. We continue to see a transition towards electronic record keeping. If this is something of interest then we ask that you contact your Accounting Specialist to assist you with this.

## Office Closures

Our office will be closed for the **Easter Weekend** from 5pm Thursday 6th April 2023 and reopening 8.30am Tuesday 11th April 2023.

Our office will also be closed for maintenance work on **Friday 21st April 2023**.

Our office will also be closed on **Anzac Day** being Tuesday 25th April 2023.

We wish all of our clients a safe and enjoyable break over the upcoming long weekends.



All information in this newsletter is to the best of the authors' knowledge true and accurate. No liability is assumed by the authors, or publishers, for any losses suffered by any person relying directly or indirectly upon this newsletter. It is recommended that clients contact us before acting upon this information.



CHARTERED ACCOUNTANTS  
AUSTRALIA • NEW ZEALAND

[www.bennettsproactive.co.nz](http://www.bennettsproactive.co.nz)

8 Queen Street, Te Puke

Phone (07) 573-8446

# End of Year Tax Planning

## For 31 March Balance Date Clients

Now is a convenient time to remind you of a few tasks that are required on or before 31 March as part of your tax compliance responsibilities.

### Things that need to be considered and actioned on or before 31 March:

- A review of all your Debtors. Please ensure you write off any bad debts dated 31 March or earlier from your ledger before year end.
- Issue all credit notes to customers if applicable so these adjustments are taken up in the correct financial year.
- Ensure all expenses are incurred before year end (invoices issued by supplier) so that a deduction is allowed in that financial year.

### Things that need to be actioned on 31 March:

- Ensure stock counts in your accounting system are accurate, that is trading stock is valued at cost price. Also write off any obsolete stock.
- Determine the Work in Progress, valued at cost price. Work In Progress is work that has been performed but not yet invoiced (materials and labour should be included).
- Determine any raw materials on hand. Raw material is unprocessed material used to produce goods not yet used.
- Record cash/ banking received but not yet deposited.
- Confirm Petty Cash and Till Floats.
- Count your livestock (if applicable).

## Tax Updates

This time of year is common for the start of the release of tax changes and remedial updates. Here is a snapshot of the latest changes.

### Employment Law changes (Effective 1 April 2023)

- The **minimum wage rates** are set to increase:

Type of Wage	Old Rate/ Hour	New Rate/ Hour
<b>Adult (16 and over)</b>	\$21.20	\$22.70
<b>Starting-out &amp; Training</b>	\$16.96	\$18.16

### Cost of Living Support

- The **Cost of Living support** relating to the reductions in fuel excise duty and road user charges, as well as public transport fares has been extended to **30 June 2023**.

### Tenancy Compliance (Effective 26 November 2022)

- The **healthy homes compliance** timeframes to meet the standards has been extended from 90 days to 120 days and the final date by which all private landlords must comply has been extended from **1 July 2024 to 1 July 2025**.

### Family Tax and Best Start Credits (Effective 1 April 2023)

- **Family tax credit rates** increase for the eldest child from \$6,642 to \$7,121 and the subsequent child rate increases from \$5,412 to \$5,802.
- **Best Start tax credit** increases from \$3,388 to \$3,632.
- **Minimum Family tax credit** increases from \$32,864 to \$34,216.

Continued on Page 3

## Tax Updates continued

### GST Changes (Effective 1 April 2023)

- We included in the December 2022 newsletter the upcoming GST changes. You will notice changes within your electronic system as these changes roll out. You will also see increased publications from the Inland Revenue Department in this regard. If you are unsure please contact your Accounting Specialist.

## Xero



Are you interested in moving to a cloud-based product for the 2024 financial year?

Xero is an online based accounting software that allows you access from work, from home or on the go – putting you in control! Using Xero, you will know your financial position at any point in time and as your accountant, we can provide valuable real-time advice right when you need it.

If you are interested in attending an upcoming client seminar or require further information about Xero, please talk to your Accounting Specialist.

### Upcoming Xero client seminars

Xero Basics – We have free client training seminars scheduled for **13<sup>th</sup> April, 11<sup>th</sup> May and 8<sup>th</sup> June 2023** starting at 3:30pm.

Please register your interest for any Xero event as soon as possible as numbers will be limited. To register your attendance please either phone the office on 07 573 8446 or email [admin@bennettsproactive.co.nz](mailto:admin@bennettsproactive.co.nz). For the Xero Advanced seminar please let the office know if you are interested, even if a date has not been set.

## Key Tax Dates



Date	Taxes payable
<b>7 April 2023</b>	Terminal Tax – 2022 Year
<b>7 April 2023</b>	FBT - Income Year return and payment
<b>20 April 2023</b>	PAYE – Period ended 31 March 2023
<b>7 May 2023 (Actually 8 May 2023)</b>	2023 Provisional Tax - 3 <sup>rd</sup> Instalment
<b>7 May 2023 (Actually 8 May 2023)</b>	GST - Period Ended 31 March 2023
<b>20 May 2023 (Actually 22 May 2023)</b>	PAYE – Period ended 30 April 2023
<b>20 June 2023</b>	PAYE – Period ended 31 May 2023
<b>30 June 2023 – Suggest 10 June 2023</b>	KiwiSaver minimum contribution of \$1,042.86 for maximum tax credits of \$521.43

**Terminal Tax notices** (Payable 7 April 2023) – We will print and release these notices in the last week of March 2023.

**Provisional Tax notices** (Payable 8 May 2023) – We will print and release these notices in the last week of April 2023.

**Provisional Tax review** – Prior to the 3<sup>rd</sup> instalment of Provisional Tax falling due, we are able to undertake a review of your last 12 months of trading to consider if your tax payment can, or should be adjusted either upwards or downwards so it is more in line with what we expect the actual tax to be, especially if there is significant changes to the 2023 trading year. Once the GST return is completed for the February/March 2023 period we can obtain the appropriate information from your GST records.

If you are scheduled for a Provisional Tax review, you will receive a reminder in early April. If you would like a review done and you do not receive a reminder, then please contact us with urgency and prior to the Easter break.

Continued on Page 4

## Key Tax Dates continued

With the up-coming tax dates, it is a timely reminder to ensure that you pay your taxes on time and in full. Historically, any late payment or short payment would of attracted Use of Money Interest (UOMI) however for the 2023 financial year these rules has been relaxed. For the 2023 year, the requirement to pay provisional tax instalments in full and on time has been removed for tax payers using the safe harbour option and UOMI will only be charged if an amount remains unpaid after the end of year tax due date i.e. 7 April the following year. All other existing qualifications will remain and late payment penalties will still apply.

Also, a reminder for those tax payers that have been affected by the North Island floods and weather related damage are able to seek some relief from the Inland Revenue Department. This is not a default relief meaning the tax payer's circumstances will be considered on a case-by-case basis. The relief may be remission of interest and/or penalties on late payments or in the situation of serious hardship, the Inland Revenue Department may consider writing off tax. If you are impacted, then we need to know as well as the Inland Revenue Department, so we ask that you let us know as soon as possible so we can get the ball rolling.

**Kiwisaver** - To be eligible for the full member tax credit of \$521.43 you have to contribute at least \$1,042.86 a year. The Government will contribute 50 cents for every dollar of member contribution annually. If you have not yet contributed the minimum amount, we suggest that you arrange a voluntary contribution prior to the beginning of June 2023 to ensure time for your credits to be transferred to your KiwiSaver fund by the due date of **30 June 2023**. Payments can be made in two ways; either directly to your scheme provider or to the IRD by choosing the "Pay tax" option and including your IRD number, the tax type "KSS", and recording the period "0" (zero) or by any other means of paying taxes.

## News in and around the office...

### Welcome — Karen Solomon

We welcome **Karen** to the Accounting team.

Karen has recently joined the team to assist with our compliance work. Karen has worked in Accounting firms within the Gisborne and Rotorua districts and after having a career break, has decided to re-establish her career in Accounting. Karen brings knowledge, experience and a motivation to upskill to the team.



Outside the office, Karen enjoys following national and international events, walking, reading, movies and voluntary work.

Karen's normal working hours are Monday to Thursday 8:30am to 5:00pm and then Friday to 2:00pm.

## ACC CoverPlus Extra (CPX)



ACC has recently released the ACC CPX policy renewals which will renew automatically.

It is important that you check the policy details to ensure you have the correct level of cover as well as being on the correct levy rate for the work that you perform.

It is also important that you arrange payment of the levy on time and in full. Failing to make payment or failing to enter into an instalment arrangement will cease the policy. Ceasing the policy will mean you default back to the standard CoverPlus policy which may not be in your best interests. To elect back into CPX we have to go through the application process again.

If you have any questions in relation to ACC please contact either Alana Ashcroft from our office or your Accounting Specialist who can assist you further.

