

# ROBERTSON + CHARTERED BIXLEY ACCOUNTANTS

## Newsletter - Summer 2018



### Christmas Closedown

As this will be our final newsletter for the year, we would like to take this opportunity to wish you and your families a very Merry Christmas and all the best for the New Year. Our office will close on Thursday 20th December 2018 and reopen in the New Year on January 14th, 2019.

### Year-End Records

If you have not sent your year-end information to us, we request that you to do this as soon as possible. With a large portion of December and January consisting of the holiday period, there is barely over a 2 month window to get your accounts complete by year end (for those of you with March balance dates).

### Anti-Money Laundering Compliance

From 1 October 2018 all Accountants need to comply with the requirement of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009(AML).

Most of you will be accustomed to the increased identification requirements of Banks and from 1st October, Accountants are also required (by Law) to verify new client's identification. Where Robertson Bixley undertake certain services for clients, we will be required to obtain identification and address verification documents along with proof of source of funds in some instances.

The information required will be proof of photo identity (driver's licence, birth certificate, passport or firearm's licence) and proof of your address (recent utility bill or bank statement).

If the transaction involves an entity such as a Trust or a Company, additional information may be required, including details for all Directors or Shareholders, Trustees and Beneficiaries. By asking for more information from you, we have more knowledge about the transaction we are to undertake on your behalf and we can ensure that we will not be breaching our requirements under the Act.

#### Why is this necessary?

New Zealand is currently regarded as one of the safest and least corrupt countries in the World. Accountants now must take steps to assess the risk faced from transactions through activities carried out by those dealing with an Accountant.

This will also help other countries transact with New Zealand firms confidently, knowing that money sent into or out of New Zealand is not tainted by the proceeds of crime. Banks have been complying with AML legislation since 2013, Lawyers since earlier this year and from 1st October, now Accountants.

We apologise for any inconvenience this new process may cause but Robertson Bixley are required to comply with the new Law, with significant fines if not adhered to. We are working hard to minimise any frustration to both existing and new clients and will endeavour to make this information gathering as easy as possible.

Please give us a call if you have any questions.



## Say goodbye to filing your PAYE return monthly (or Twice a month for bigger organisations)

### What you need to know about shifting to payday filing

Payday filing in a nutshell

From 1 April 2019 employers must:

- File employment information every payday instead of an Employer monthly schedule (IR348)
- Provide new and departing employees' address information, as well as their date of birth – if they have provided it to you.
- File electronically (from payday compatible software or through myIR) if your annual PAYE/ESCT is \$50,000 or more.

**Note:** The due date for payment remains the same at the 20th of the month (or 5th and 20th of the month for twice-monthly filers).

### Ways to payday file

In myIR through the Payroll returns account (instead of ir-File) by:

- File upload – payday filing compatible software is required, or
- Onscreen data entry.

You'll need to let IRD know you've shifted to payday filing by opting in through your myIR account before you can see or use this account.

### Directly from your payday filing compatible software

With this option you will be able to file directly to IRD from your software.

A myIR account is a pre-requisite for this option as your myIR logon credentials are required to authorise any file submissions from your software.

**Note:** Paper filers can't shift to payday filing before April 2019 unless they change to electronic filing.



## Investment Properties Rental losses law change coming

The law is to be changed regarding rental losses.

For many years, investors in property have had a tax deduction, against their other income, for losses on rental property. Starting from 1 April 2019, residential property owners will no longer be able to offset their losses as previously.

They will have to accumulate them until sufficient profits have been made to wipe out the accumulated losses.

The details are yet to be worked out. For example, if you have several properties, some making profits and others making losses, will you be able to offset the losses against the rental profits? Also, under the current proposal, these rules are going to be applied to residential property and not commercial property.

## Capital gains tax

A capital gains tax, before the end of this Government's term, is starting to look like a real possibility. The current indication from the Tax Working Group is for the entire profit from a capital gain, such as the sale of a farm, business, shares in a company, rental property et cetera to be treated as income and added into your tax return.

This would seem particularly harsh when compared with the Australian system which takes half of the profit and puts it in your tax return. Gains are likely to be measured from a date such as the date when the law becomes operative. This would mean assets are going to need to be valued as at that date.

You can take some comfort that this is only a preliminary report and it is likely there will be a number of changes before the proposed law is finalised.



## Software

MYOB has advised they will no longer be supporting AccountRight Classic (V19) desktop software from September 19. Company files can be upgraded to the latest version of AccountRight, with MYOB undertaking to have multi location and foreign currency available before September 19. Foreign currency for importers is included in the 2018.4 release.



Xero Projects is a simple job costing feature in Xero that allows businesses to track their time and expenses against specific jobs. The new Xero Project app allows you to record time and expenses against jobs while you're on the go. It provides a real time view of how your jobs are tracking financially and allows you to compare estimated costs with actual.

If you need further information or training on Xero Project please contact our office.



## More on Scammers

Beware scammers posing as Inland Revenue. Often the sender's email address looks as though it has originated at the IRD. The department is not going to provide you with a link to click on. If you see this in a "IRD email" it is a very sure sign you are looking at a scam. **DON'T CLICK ON IT.**



## Update your Contact Details

With new software, we now have the ability to send invoices, tax notices and newsletters by email, as opposed to the current postal method as it is a far more efficient way for us to send hundreds of notices at once. If you have either recently changed your email address or just want to confirm that we have the correct address in our system, please contact reception or email [reception@robbix.co.nz](mailto:reception@robbix.co.nz).

If for any reason, you do not want to receive your tax notices by email, you are also welcome to contact reception and we can arrange to continue to send your tax notices by post.



## Our Services

We don't just offer the standard compliance work the 'run of the mill' accountants offer .... in fact, we prefer to work with you on the business, and help you work towards business and personal goals and the steps required to achieve them.

So if you have a question regarding insurance, business strategy, retirement, investment, personal and business protection, entering into a new market or maximising the exit or anything relevant to business, we are here to help.

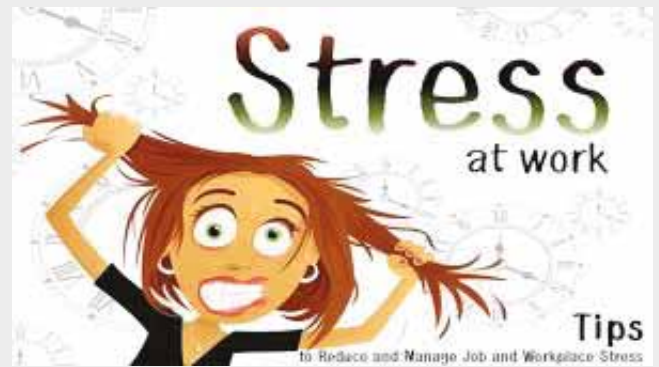
And if we can't offer you the specific advice you need, we can certainly point you in the direction of a trusted advisor or other professional that can.

We are also implementing a book keeping service to answer demand. Book Keepers can assist with data entry, GST, PAYE returns and much more. Call us if you want to know more.



## Are you covered for Work Place Stress?

The New Health and Safety Act provides for Mental Health issues in the workplace ensuring employers consider the mental health of their workers as part of providing a safe workplace. For the men and women off work due to sickness and injury last year 24% of men and 32% of women who were off work due to mental health conditions as opposed to 29% of men and 10% of women who were off work due to injuries that may or may not be ACC related. Although we need to pay ACC levies ACC does not cover you for being off work due to work place stress or other mental health conditions. Please contact us to discuss this further as there are alternatives where your ACC can be managed so you can be covered for any medical reason you can't work including work place stress.



## Ronald McDonald House Charities

Recently a group of staff members from Robertson Bixley Ltd had great pleasure in designing a menu, purchasing ingredients and cooking for the Ronald McDonald House families. This was an amazing experience to provide a home cooked meal for families going through a traumatic time in their lives. We had a fantastic evening, showed great team work. Such a wonderful cause.



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