

We wish everyone a successful year ahead.

Our New Look End of Year Questionnaires

We are modernising our 2019 questionnaires!

In mid-March we will email you a questionnaire to be completed and submitted back to us. Please prepare a questionnaire for each entity. The online questionnaire will allow you to:

- Answer questions easier with yes or no replies.
- Upload documents to us such as loan statements.
- A simple 'save and submit' option will result in us receiving the completed form without further action from you.

Please let us know how you find the new online questionnaires. Let us know if you experience any difficulties with this new system.

If you prefer a hard copy we are happy to post these to you. To arrange, please contact the office today.

IRD New Pay Day Filing

Further to our last newsletter:

- Please note when you file your first online payroll return the system will not allow this new return to be created until the final month's monthly returns are submitted. Once finalised the new month's return will appear.
- Please remember to have your employee's date of birth ready for the first payroll return.

IRD have just announced the existing online ir-File service to file your monthly employment returns will cease from 11th March 2019. We therefore recommend you consider switching to the new payday filing on 1st March 2019 before the majority change on 1st April 2019. We are not sure how IRDs systems will cope with the volume of new forms being submitted online.

Please contact us if you need help with your first payroll return.

Tax Dates Coming Up

Just a quick reminder:

- 2018 end of year tax date is 7th April 2019.
- Final 2019 provisional tax date is 7th May 2019

We will email/post your tax payment remittance notice in March. Please contact us if you are unsure.

Some IRD services will be unavailable in April

Just to let you know IRD have announced some of their services will be unavailable from mid-April while they transition to their new computer platform. The following services will not be available:

- Contact centres
- myIR

New Minimum Wage Rates

The new minimum wage rates from 1st April 2019 are:

- Adult: \$17.70 per hour
- Starting-Out & Training: \$14.16 per hour

Employment Relations Act 2018

Recently there has been some key changes to employment law such as:

- From 1st April 2019:
 - o Employees affected by domestic violence can apply for 10 days paid domestic violence leave per year.
- From 6th May 2019:
 - o The right to set rest and meal breaks will be restored.
 - o 90 day trial periods will be restricted only to businesses with less than 20 employees. Businesses with more than 20 employees are still able to use other probationary periods.

Please familiarise yourself with the changes as breaches can lead to fines.

Please see the website:

<https://www.employment.govt.nz/about/employment-law/employment-relations-amendment-bill-2018/>

<https://www.employment.govt.nz/about/news-and-updates/domestic-violence-victims-protection-bill-becomes-law/>

Ring-Fencing Rental Losses

IRD have passed a bill to approve the 'ring-fencing of rental losses'.

But what does this mean and will it affect you?

Below is a summary for you to consider:

- The rules will start from 1st April 2019 and so will affect the first tax returns prepared for the year ended 31st March 2020.
- The restriction will only apply to residential rental properties.
- The rules will not apply to your main home, a mixed use asset property or dealing/development of land businesses or farmland.
- The whole of the 'tax loss' is not restricted. Instead the restriction applies to some of the costs claimed each year.
- The default position is to prepare the restriction on a portfolio basis.
- Any unused losses will be carried forward to offset against future profits such as when the property is sold.

Happy To Help

Remember to speak to us if you have any of the following:

- Overseas bank accounts or investments.
- Thinking of buying or selling rental properties.
- Would like to discuss the benefits of starting a new company or a family trust.
- Thinking of providing an employee a meal or travel allowance.
- Want to discuss the options of buying a company vehicle and how personal use is taxed.

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