

# Accountable News

## Quote

“The right to be heard does not automatically include the right to be taken seriously.”

**Hubert  
Humphrey**

## Tax Alert

Have you purchased property “off the plan”? Do you plan to sell or are you thinking of selling, particularly before you take possession? If so you need to be aware that the Inland Revenue Department are targeting this area at the moment and you may have income tax to pay that you had not previously considered.

Buying “off the plan” means buying property such as units, apartments or sections when the development is still in the planning stage and yet to be constructed. You may have only paid a small deposit and no legal title has yet been issued but the “off the plan” property still has a value which rises and falls the same as an existing property. Do not be mistaken that because your name is not on a title that the sale does not need to be declared.

If you are in this situation be aware that IRD has your information and have said they will be contacting people who have an interest in this area. Anyone concerned or unsure whether this relates to you please contact your accountant today.

## ACC

We are very pleased to tell you that after years of trying to ignore the existence of the accounting profession a new management and a change of policy have led the Accident Compensation Corporation to recognise the role that we as Chartered Accountants can play in improving the efficiency in dealings between the Corporation and smaller businesses like yours. Effectively, they will now operate a system very similar to Inland Revenue where you are able to authorise us to have access to your ACC files and to negotiate on your behalf. From our point of view this is welcome news because there is no doubt that in the very many instances we have been asked to look into the ACC affairs of our clients we have been able to save most of those clients far more than it has cost in accounting fees. This is a very satisfying result for all. Collectively for all of our clients this represents thousands of dollars.

Checking accounts is only one aspect of what we are now able to do although with the new arrangements we expect more effectiveness. Another aspect and one that is potentially more valuable is that we are now able to advise and recommend which policy basis is best for you in your particular circumstances. To take advantage of this new opportunity we will need you to authorise us to have access to ACC on your behalf and ACC have provided us with their forms for that purpose. Just call our Exec Kate Mitchell (or email [katem@dodd.co.nz](mailto:katem@dodd.co.nz)) and she will send the form to you.



## Business Tip

Look at a day when you are supremely satisfied at the end. It's not a day when you lounge around doing nothing; it's when you've had everything to do, and you've done it.



## Christmas Hours

This year we will be closing our office on **Thursday 24<sup>th</sup> at 12.00pm** and reopening on **Tuesday 5<sup>th</sup> January.**

Everyone at Dodd & Associates wishes you and your families a very happy and safe Christmas and New Year period.

We thank you all for your continued support and look forward to seeing you in 2010.

## Student Loan

Thinking of making some voluntary repayments toward your student loan in the New Year? You may be eligible for a 10% voluntary repayment bonus.

You are eligible for a 10% bonus if:

- You're up to date with your repayments & filing your tax returns (if you're required to file a return) with Inland Revenue
- Your loan balance with the IRD is \$550 or more at the start of the tax year (1 April)
- Your voluntary repayments for the tax year total \$500 or more

A voluntary repayment is a payment made on top of what you need to repay for a tax year. It can be a lump sum repayment or made up of smaller repayments throughout the year. For example, you could receive a bonus by paying an extra \$10 a week. Therefore, if you make the minimum voluntary repayment of \$500 throughout the year a further \$50 would be taken off your student loan by Inland Revenue.

## Overdue Accounts

Here at Dodd & Associates we already have our New Year's resolution decided on. In 2010 we will be continuing to enforce our debt collection policy with a strong focus on reducing overdue debt.

We are pleased with the number of clients that are paying bills promptly. However there are a number of people who continue to take advantage of us. We have regretfully had to send clients to debt collection agencies over the last year and would like to avoid this if possible in 2010.

If you know your account is overdue or you have just received one that you are going to have trouble paying please contact us immediately. We are more than prepared to help out and can offer a debt reduction plan for you if needed.

We would like to offer a big thank you to clients who continue to make our job easy and save us time by paying their accounts in the specified time frame.

Drawn out and late payment of accounts can be a major issue for all businesses. Consider making it your New Year's resolution too!

## Referrals

We would like to take this opportunity to thank all of those clients who have referred someone to us over the past year.

It is always nice to know someone has the confidence in us to recommend our firm to others. As a slight incentive please do not forget that we do have a referral reward scheme in place and we always like to show our appreciation to anyone that endorses our good name.

So if you know someone looking for an accountant or struggling with their present one do them and yourselves a favour and pass our details on!