

Workshop

This month, in conjunction with ANZ, we are hosting a business training workshop focusing on how to make a profit and maintain cashflow.

Spaces are filling up fast!

To register email Kate at:
Kate.Mitchell@dodd.co.nz

For more information visit:
<http://www.seminar.net.nz/>



DODD AND ASSOCIATES LTD
CHARTERED ACCOUNTANTS

**What's the
difference between
an accountant and
a lawyer?**

*The accountant
knows he's boring.*

IRD payment changes

Changes to payment services

Inland Revenue have issued a "consultation document" regarding changes to their payment options and their "Received on Time Policy" - normally a consultation document allows affected consumers the right to argue against the intended changes but the way this document reads the changes will be happening regardless of what tax payers and tax agents think of it!

From 1 October 2014 customers will no longer be able to make cheque payments or drop off returns or forms at a Westpac branch. They will be able to continue making cash and eftpos payments at Westpac.

Customers can post cheque payments, returns and forms directly to Inland Revenue so they're removing these services at Westpac. Customers can continue to make payments using online banking, credit and debit cards and international money transfers.

Inland Revenue encourages customers to make payments online. Digital payment channels are secure and faster than traditional payment methods, and are available 24 hours, seven days a week. We actually encourage this too as the traditional mail appears to have become extremely slow and often quite erratic lately. We have customers telling us that mail has taken weeks to get to them when it used to be days and recently one customer had multiple payment slips and cheques get lost in the mail when paying both GST and provisional tax.

Inland Revenue are also encouraging us to use the E-file service to file our client's returns. We do this for the majority of clients that we file returns for anyway as they get processed much quicker than paper returns and it gives us the ability to "look them up later" directly on the IRD website. If you want us to take over the filing of your Payroll or GST return please get in contact and we will arrange this service for you, and if you're not already on TriTec now would be the ideal time in order to get your GST returns processed efficiently in the first place, ready to be filed on-line

Paying on time

From 1 October 2014, payments posted to Inland Revenue need to be received by Inland Revenue on or before the due date to avoid payment penalties and interest. This means cheque payments can no longer be posted on the due date.

Over 70% of payments are currently made online and Inland Revenue want to encourage more customers to pay electronically. Removing the unintended advantage to customers who post cheque payments on the due date enables them to treat all customers equally, regardless of their payment method.

Issuing Refunds

Of the 1 million refunds that Inland Revenue issues to taxpayers by cheque, 80% are to clients of Tax Agents. Inland Revenue will be encouraging tax agents to receive electronic refunds for themselves and their clients. This is one area we have discouraged in the past as we don't get a chance to check the correctness of calculations before you are deemed to have "accepted" a refund. Time will tell whether Inland Revenue will be willing to be lenient if they incorrectly refund monies that result in penalties and/or interest being payable.

10 Tips for a Successful Day!

It's easy to **finish a busy day wondering where all the time went** and when you'll complete all those tasks you'd hoped to get finished.

The tips below will help you get a head start on your day and make sure your activities match your goals. Then at the end of the day you'll feel good.

1. Take time each day to plan—10-15 minutes (uninterrupted). Block this time out on your calendar.
2. Before planning activities for the day, review your goals (long- and short-term), and consider progress to date.
3. Decide on your most important goal and number-one task for the day.
4. List and prioritize all the tasks you want to accomplish.
5. Assign realistic times to each activity, and block these on your calendar. Add up the time blocks to make sure it's practical.
6. Know when your *prime time* is—the time during the day when you're at your best—and make the most of it.
7. Take frequent short breaks throughout the day. Get away from your desk for a few minutes, stretch, take a short walk. You'll return energized and better able to concentrate.
8. Beware of interruptions! When working on a high priority task stay focused, let voice mail take your calls, close your email editor and jot a note if you think of something important to tell someone.
9. At the end of the day, review your accomplishments, congratulate yourself on achievements and discover what you can learn from the tasks that were scheduled but weren't completed.
10. Throughout your day, and as you move forward towards your goals, remember to keep a healthy balance between your work life and time for yourself, your family and friends!

IRD Not So Bad

Regularly we hear people complaining about Inland Revenue being tough when it comes to application of penalties on unfiled returns and/or late paid tax. Maybe these complaints are being a little unfair on Inland Revenue?

We recently had someone contact us who had been living in Australia and subsequently moved to New Zealand. They received in the mail a letter from the Australian Tax Office claiming \$2,250 was owed. Further investigations revealed that this was the penalty charges for not having filed income tax returns for 3 years.

This equates to a penalty of \$750 per return. Makes Inland Revenue look very reasonable when you consider their non-filing penalty is \$50 or \$250 depending upon the type of return not filed.

So the next time you hear someone complaining that Inland Revenue charged them a late filing penalty you might like to mention that in Australia it would be even more costly than it is here.

Computer Virus

You may have seen a story in the news recently about an upcoming computer virus attack. We have been talking to our IT Company and if you have good virus protection software in place you should have no problems. He did however caution that you should never click on links in an email if you do not know the sender. Of particular concern is that some of these emails have the appearance of coming from IRD. If you get an email from the IRD and you don't normally work with IRD stuff then **DON'T** click the link. Even if you do deal with IRD they will never ask for your details over email or for you to download updates. If in doubt log directly into the IRD website do not click the hyperlink in the email. Or give us a call and we will let you know straight away if the email you have received is legit or not.

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