

AUTUMN 2020

Alliott NZ Autumn 2020
Newsletter



Message from Greg and Vanessa

It has been a challenging start to 2020, especially with the impact of the coronavirus, also known as COVID-19. At Alliott NZ we remain acutely aware of the impact for the foreseeable future. We are taking a position of 'business as usual' with our offices still being attended, whilst keeping abreast of the evolving direction from various authorities. As a firm, we have a substantial capacity to work remotely and to ensure your interests continue to be looked after. Our foundation systems for practice and document management, emails and communications are cloud-based. If we are directed to no longer permit staff to attend our offices we, therefore, have the capability to continue to serve your needs. Covered in this newsletter:

- Year-end tax planning time - get ready with our free checklist
- Paying income tax to Tax Traders vs the IRD
- ANZ Report refresher - tracking the coronavirus
- GST short term accommodation - Air BNB and other
- Recommended reading - new e-commerce book by Alliotts' clients
- Xero pricing plan update

The New Zealand Government has announced a \$12.1billion business continuity package aimed at assisting businesses through the COVID-19 situation. The largest element of the package is the delivery of \$5.1billion in wage subsidies to businesses and the delivery of support for workers needing to self-isolate, delivered through the Ministry of Social Development. [Read more](#)

The Government has also compiled Wage subsidy and Leave Payment available to support employers affected by COVID-19. The subsidy is being administered under a high trust model and employers will not be asked for verification before the subsidy is approved. However MSD will have the ability to check applications and verify information at a later date. [Read more](#)

If you have any questions or queries, please call 09 520 9200 or please email us at enquiries@allriott.co.nz to request advice that is relevant to you.

Kind regards,

Greg Millar & Vanessa Williams

REMINDER Year-end tax planning

The standard year-end for New Zealand businesses occurs at the end of March each year. There are actions you can take to maximise tax deductions. We've provided a checklist of tax deductions available for you to consider. [Read more](#)



Paying Income Tax to Tax Traders vs the IRD

Using Tax Traders to manage provisional tax payments

From our perspective, there is no downside to using Tax Traders to manage provisional tax payments.

There is increased cash flow flexibility, lower interest payment rates, higher interest receivable rates and no penalties.

These are just a few of the benefits of paying your income tax into the IRD approved intermediary – Tax Traders. There is also the added benefit of no long wait times with the IRD and/or multiple transfers between teams to convey a solution, saving you our time and cost as well.

Since its inception, we have worked with Tax Traders to ensure that our clients achieve better outcomes than just paying tax to the IRD directly. Now that Tax Traders have no minimum use limits, we would like to highlight this to all our clients.

Should you like to use Tax Traders for your provisional tax payments going forward, please let us know.

For more information visit: https://www.taxtraders.co.nz/public/documents/Tax-Traders_What-Is-Tax-Pooling.pdf

ANZ Report: tracking the coronavirus

With all the media attention around Coronavirus COVID-19, we recently shared a special report compiled by ANZ Research. If you didn't get around to reading it, here's an encore. [Read more](#)

GST Short Accommodation – Air BNB and Other

Just a reminder that if you rent out your home or other property for short term accommodation you may need to register for GST. This could arise from renting out your house or holiday home for Americas Cup travellers on a one-off basis or continually renting it for short term accommodation like on Air BNB.

Remember, it does not have to be Air BNB; it could be on other booking sites or your own website.

Be careful, too, if you own more than one property as the \$60,000 GST threshold takes into account the combined turnover of all properties used for short term stays.

Even if the \$60,000 turnover threshold for GST is not breached, you still could be liable for GST on the property if it is continually used for short term rental. There could also be GST implications for the property itself if you stop using it for such a purpose. We recommend that you talk to us at Alliott NZ as GST exposure can be mitigated with the right structure and advice. Contact our team on 09 520 9200.

Recommended reading: Ultimate Guide To E-commerce Growth

Written by Alliotts clients Ian and Mark Hammersley, this book will position you to drive more growth and uncover the roadmap to growing a successful e-commerce shop.

Together they run one of the UK's most successful e-commerce agencies. Mark is NZ-based also has NZ clients as well as their main UK business. [See more](#)

Xero pricing and plan update

From 18 March 2020, the price of the Xero Starter plan is increasing by \$2.50 a month

Xero wants to change the game for small businesses and that's why they're constantly evolving Xero for Xero users.

If you use Xero Cashbook or Xero Ledger, there's no price increase – it's business as usual. This web page tells you more [about the price change](#).

Xero's getting even better – with Hubdoc

From 18 March 2020, you'll be able to say goodbye to chasing documents and manual data entry – tasks that can take hours of your time. That's because Hubdoc, which has a retail price of \$27.50 a month, will be included in Starter, Standard and Premium plans.

Xero acquired Hubdoc in 2018 to make bookkeeping in Xero even more beautiful. With Hubdoc's world-class data capture technology as part of your day-to-day toolkit, you'll get:

- **Easy bill and receipt capture** – Hubdoc makes it easy for Xero users to upload bills and receipts using their desktop, mobile device, email or scanner – giving you access to the documents you need when you need them.
- **Automated data entry** – Once documents are uploaded to Hubdoc, the key data is automatically extracted and synced to Xero as accurately coded transactions.
- **One-click bank reconciliation** – Xero then matches these transactions to the bank feed for one-click reconciliation.
- **Secure and centralised document management** – All user documents are searchable and easy to access from anywhere in the world.

By automating admin tasks with Hubdoc and Xero, you get more done in a day and you've got more time to reach your goals. Have a look at this [Hubdoc resource page](#) for more information.

Alliott NZ are Top 30 NZ accountants.

Take your business to the next level with help from our experienced team of Chartered Accountants and Business Advisors.

We would love to hear your feedback and would be incredibly grateful if you could take a couple of minutes to write a quick Google review for us. This will allow us to improve our service and let others recognise the value we provide. Of course we're happy to reciprocate. To submit your review, simply click [here](#).

