

MBS Advisors May/June 2021 Update

With travel bubbles starting to open up its time to plan your winter holidays or a long weekend away to clear your head. It's important that you take time away from your business or work schedules to refresh.

Whether it's a holiday or timeout, you need to plan to ensure you manage stress and exhaustion to ensure you don't burnout. Business owners are usually good at working in their business and don't spend a lot of time working on their business.

As Chartered Accountants that have involvement in rural industries we work alongside the Rural Support Trust who are spread throughout New Zealand to support our community. There are many experiences that create stress whether it be work pressure, weather conditions, financial pressure, business or personal relationships.

It's important to ask for help to reduce areas of stress to make working in your business more enjoyable.



REGISTERING FOR MYACC

Registering for MyACC for Business is a great way to view invoices, how much you owe, your timeline history, as well as update details and efficiently manage your ACC affairs online.

To register for MyACC for Business you'll need:

- Your RealMe, Google or Microsoft account (To create your user profile for accessing your business account)
- Your ACC or IRD number

A few further benefits include:

1. Secure Message - Instead of waiting on the phone, if you need to talk to ACC about your business, you can send a secure message through MyACC for Business if you need to:

- a) Request to put your current payments on hold
- b) Discuss options if you want to continue to pay
- c) Send a general enquiry about your business.

These messages are emailed to the relevant ACC team to respond to in a timely manner.

Messages are already verified so you don't need to confirm any personal details, like your name, ACC number or contact information.

Simply log on to MyACC for Business today and get in touch.

2. See and redeem subsidies for your business using MyACC for Business. ACC offers a range of different subsidies to businesses who are investing in better Health & Safety for their workplace.

If your business is eligible, you'll see all the information you need on the Overview page in MyACC for Business.

From here you can see more details about the subsidy, claim your offer, upload supporting evidence and track the progress of your subsidy entirely online.

If you need any assistance, please give us a call.



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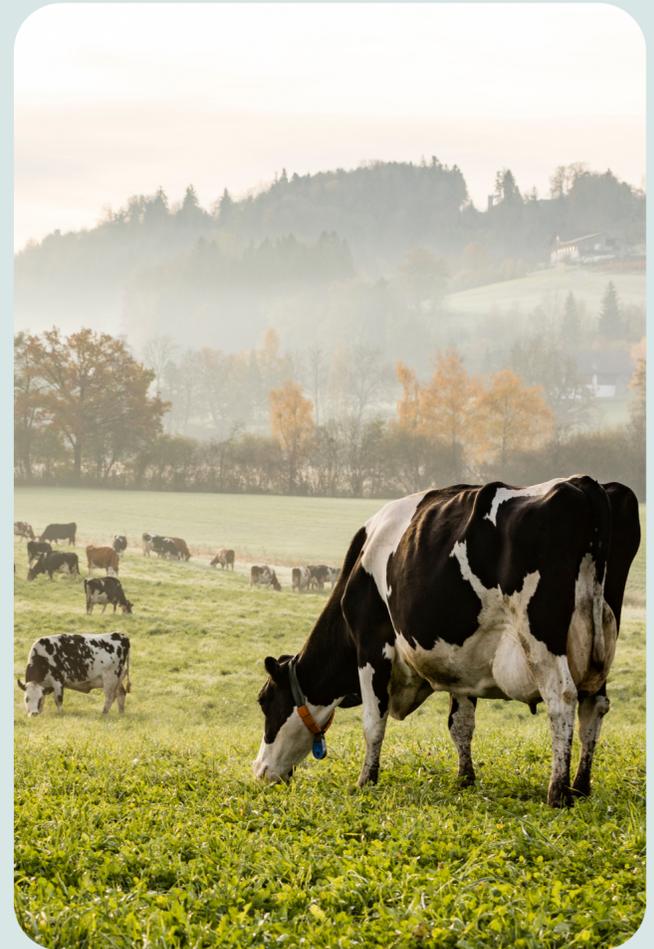
FARMERS - END OF FINANCIAL YEAR – LIVESTOCK ON HAND AND CONSUMABLE AIDS

With 31 May now past (phew 2021 is flying by) the traditional end of financial year for farmers has also gone by, meaning data is now required to be captured. Like most businesses at balance date, an accurate assessment of the closing stock numbers is required to ascertain the stock on hand.

Closing stock numbers should be broken down between the individual classes of livestock. This includes cattle, sheep, goats, etc, whether the livestock are male or female and the age of the stock. We also need to know whether the cattle are being used for a dairy or beef operation as different valuations apply to each type of livestock.

There is also our little known rule in the Income Tax Act that if you purchase external feed that exceeds \$58,000 and it is still on hand at balance date it must be included as stock on hand. Therefore, if you buy winter feed and there is \$58,000 of feed still on hand at balance date this must be included as a consumable aid. This only applies to external stock feed purchases and not feed grown on farm.

Good luck for the coming season.



BRIGHTLINE TEST

Bright-line property rules

If you sell a residential property you have owned for less than 10 years you may have to pay income tax on the profit from the sale. The bright-line property rule looks at whether the property was acquired:

- between 1 October 2015 and 28 March 2018, and sold within the 2-year bright-line period
- between 29 March 2018 and 26 March 2021, and sold within the 5-year bright-line period
- on or after 27 March 2021, and sold within the 10-year bright-line period

New builds are still subject to the 5-year rule and includes nominees prior to 27 March 2021.

What does 'acquired' mean?

For tax purposes, the term 'acquired' refers to the date a binding sale and purchase agreement is entered into. The date you acquire property determines the bright-line start and end points and which bright-line rule will apply.

For a purchaser, the acquirement date is typically the settlement date when the title is registered under the purchaser's name.

For a vendor, the acquirement date is typically when the sale and purchase agreement is signed.

Bright-line restarts

Business restructures can have unintended consequences in regards to the bright-line property rules. Examples of business restructures that may affect the bright-line rules include:

- Entry and exiting from the Look Through Company regime
- Changes in shares of the Look Through Company
- Changes in the partners of a partnership
- Changes of more than 50% shares in a standard company

If you have any queries regarding the bright-line property rules, please give us a call.

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THINGS YOU NEED TO KNOW

Minimum sick leave entitlements increasing to 10 days

From 24 July 2021, minimum sick leave entitlements will increase to 10 days per year. Employees will get the extra five days when they reach their next entitlement date – either after reaching 6 months' employment or on their sick leave entitlement anniversary (12 months after they were last entitled to sick leave).

IRD numbers for investments

Banks now have the facilities to hold multiple IRD numbers if you are a joint holder in investments. Please ensure you update your details with your investment provider so the correct amounts are allocated against your IRD number.

Staff employment contracts

Ensure you have up-to-date employment contracts with all your staff. Also with the increase of minimum wage, ensure that your staff are receiving the correct amount based on the hours that they work. Please get in touch with Amanda our Payroll Specialist if you have any questions.

Cheques

Most banks have now abolished the use of cheques, and most suppliers do not accept cheques as a form of payment. Please ensure you have set-up your internet banking and phone apps to allow you to make timely payments. If you are having trouble please don't hesitate to get in touch with your bank or give your client manager a call.

Xero two-step authentication

Those clients that have access to Xero will have needed to update their log-in to have two-step authentication. Please contact your client manager to assist you in this process if you are having trouble.

Tax notices

We now send tax notices via email, unless you have advised us of the contrary. If you would like your tax notices to be sent via the post please advise us.

Change of addresses

Don't forget to get in touch with us if you have shifted or changed your contact details.

Emails

Be sure to check your spam/junk email folders regularly. With the ever changing digital world sometimes things end up in these folders for no reason.

PAYMENT OPTIONS

Due to changes in the banking industry we are no longer able to accept cheques from June 2021. We do however have a number of other options that may suit as listed.

- Direct Debit via GoCardless - our preferred payment option. Automated payment of invoices on the due date or by instalment
- Visa or Mastercard on our website <https://mbsadvisors.co.nz/make-a-payment/>
- Eftpos and Credit Card at reception
- Internet Bank Transfer

Please note all credit card transactions will incur a surcharge of 2.5%.

Please contact our Practice Administrator, Nikki Brown, if you would like to set-up Direct Debit or have any queries related to these options.

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STAFF HAPPENINGS

Welcome to the MBS team - Elayne de Jong(right)

Last month we welcomed Elayne de Jong to the MBS team, the newest client account manager to join Jeremy's team.

Elayne grew up on a dairy farm in the heart of the Waikato. Growing up, living and working on the farm from a young age developed Elayne's passion for the primary sector. In addition to this, her passion for crunching numbers led her to Lincoln University where she completed a Bachelor of Agriculture Commerce with Professional Accounting.

Outside of work Elayne likes to keep a fit and healthy lifestyle. She enjoys spending time in the kitchen and being in the great outdoors with friends and family.

Elayne looks forward to building strong relationships with her colleagues and the MBS clientele.

Welcome back to the office - Kassie Thomas(left)

Kassie is back in the office 3 days a week, Monday to Wednesday, from 24th May.



STAFF PHONE EXTENSIONS

Amanda Millar.....	ext733
Caro Smith.....	ext700
Deena Hobbs.....	ext703
Elayne de Jong.....	ext710
Harjot Singh.....	ext724
Jo Walton.....	ext708
Kassie Thomas.....	ext705
Kathy Reily.....	ext728
Kayla Armstrong.....	ext723
Liam Crean.....	ext707
Linda Harding.....	ext722
Michelle Way.....	ext725
Nikki Brown.....	ext709
Sharon Lawson.....	ext729
Sue Brownlie.....	ext721
Tonya Whitten.....	ext702

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