

# Newsletter

## Autumn 2015

A NEW TAX filing year is once again upon us. We are pleased to report we have filed all 2014 income tax returns for the work which had been brought into us. If you are one of the few stragglers out there that didn't get their work in we would really appreciate it if you could bring your information in as soon as possible.

Our 2015 client questionnaires for March balance dates have now been sent out. If you have not received yours for some reason please feel free to contact the office and we will get one out to you. Alternatively you can visit our website [www.coatesassociates.co.nz](http://www.coatesassociates.co.nz) where our forms are available.



Coates Associates are proud to be sponsoring local Mahia legend and pro surfer Ricardo Christie. Ricardo is currently competing on the top level tour (World Championship Tour) of the World Surf League and just recorded his best finish for the year in Rio, Brazil last week, a 5<sup>th</sup> equal placing.

With this result Ricardo has moved into 22<sup>nd</sup> place overall, which will ensure his spot in the top league next year if it is maintained at season end.

The next competition is held in Fiji starting 31 May and can be viewed on Sky Sports pop up channel or on the WSL website: [www.worldsurfleague.com](http://www.worldsurfleague.com).

We hope you all tune in and watch our man. He has beaten the World #1 surfer in the previous 2 events and will hopefully do it again in Fiji.



Introducing our new team member Pip McCulloch.

### Team News

In news from the office we welcome a new team member, Pip McCulloch.

Pip is working on a full time basis and comes to us with 20 years experience in accountancy firms. Originally from Wairoa Pip is currently completing her Chartered Accountants qualification.

Pip has fitted into our team seamlessly and we extend a warm welcome to her.

The Order of St John recently honoured our Practice Manager Carnie Nelson at a function which involved the unveiling of a special plaque on the wall of the training facility at the St John base. "The area committee decided it was totally appropriate to name the training centre after Carnie", said committee chairman Pat Naden. "She has given 21 years of service in various roles, including looking after our accounts and serving on the area committee." Carnie said it was an incredible honour. "St John is an awesome organisation to be part of. It's one big family, particularly so here in Gisborne."



### Going Aero-Di-namic for a Worthy Cause



On Friday the 13<sup>th</sup> of March our team member Di Walker decided to brave a new look in her quest to fundraise for the Cancer Society. She raised \$704 for a very worthy cause.

Di said she had friends and family who had battled cancer. Some of them were going through treatment, some had survived and others had lost their battles.

Cancer is not nice, mentally, physically and emotionally. It's a killer and we need to try to eradicate it." Well done Di.



**CONGRATULATIONS** to our accounting junior Isaac Hughes who received an award for top graduating student in NZ Diploma of Business from Chartered Accountants Australia New Zealand (CAANZ). Isaac will finish his Bachelor of Business Studies (Accounting) in June this year, then he will be going straight on to complete the CA programme.



It is with sadness we say goodbye to our resident South African team member Marion Adams. Marion and husband Helmuth, along with their children Erin and Ethan have moved to New Plymouth. We will miss Marion's smiling face around the office and her awesome sense of humour. We wish them all the very best with their future endeavours.



## Changes to parental leave

The current 14 weeks' of paid parental leave will be increased to 16 weeks for babies expected or born on or after 1 April 2015

## Tax Talk

### ACC's levy reductions

ACC is continuing to deliver on levy reductions. This year the average levy paid by employers and self-employed people in Work Account levies will fall to 90 cents per \$100 of liable earnings, down from 95 cents.

Indicative rates for levels of cover for the 2015/16 levy year will be effective from 1 April:

	ACC CoverPlus	ACC CoverPlus Extra
Maximum	\$1,818.32/week \$94,553/year (80% of \$118,191)	\$1,847.23/week \$96,056/year (80% of \$120,070)
Minimum	\$456/week \$23,712/year (80% of \$29,640)	\$456/week \$23,712/year (80% of \$29,640)

## Vehicle Licensing

On 1 July 2015 the ACC vehicle licensing levy is being reduced. The cost of relicensing most vehicles will drop by around \$130 a year. If you need to renew your vehicle's registration before then, you can save money by renewing your registration to expire in July 2015. Note that the relicensing form and online renewal allow you to specify the number of months, and is not confined to three and six monthly periods only. When your vehicle licence expires after 1 July 2015 the reduction will automatically be applied to your renewal.

The reduced levies will apply to commercial and private light passenger vehicles, cars, utes, vans less than 40 years old and weighing less than 3500kg. They will not apply to motorcycles or mopeds in 2015. Motorcycle-related injuries continue to generate disproportionately high costs for ACC and motorcycle levies are already heavily subsidised by owners of other types of vehicles.

## Budget Update in a Nutshell

### Repeal of \$1,000 KiwiSaver incentive

Effective immediately (ie from 2pm on 21 May 2015), the \$1,000 kick-start incentive for people newly enrolling in KiwiSaver has been removed.

### Reductions in ACC levies

ACC levy cuts of \$375 million are forecast for 2016 and an additional \$120 million in 2017. If cut as forecast, the average ACC motor vehicle levy could fall to around \$120 in 2016.

### Working for Families Scheme

Both the Working for Families (WFF) in-work tax credit and the WFF tax credit abatement rate will be increased:

- Low-income working families earning \$36,350 or less a year, before tax, will get \$12.50 extra a week from Working for Families, and some very low-income families will get \$24.50 extra.
- Working families earning more than \$36,350 will get extra from WFF, but it will be less than \$12.50 a week, with the exact amount dependent on their family income.
- Families earning more than \$88,000 a year will get slightly lower WFF payments, with the average reduction being around \$3 a week.

These changes take effect from 1 April 2016.

### Inland Revenue's Compliance Budget Bolstered

Inland Revenue receives, over the next five years, an additional \$74 million for compliance and enforcement on aggressive tax planning and hidden economy initiatives. \$28 million is earmarked for focusing on property investment.

### Disclaimer

*This publication has been carefully prepared, but it has been written in general terms only. The publication should not be relied upon to provide specific information without also obtaining appropriate professional advice after detailed examination of your particular situation.*