

1 April 2017 to 31 March 2018

Worksheets from IR4 Guide

Close companies with tax deducted from schedular payments

If you're a close company that has had tax deducted from schedular payments, and the income from the company has been paid or allocated to the company's shareholder-employee(s), you may be able to transfer the tax deducted from the company's schedular payments to the company's shareholder-employee(s).

Find out more on our website www.ird.govt.nz (search keywords: understanding schedular payments)

Question 13 New Zealand interest

Interest from all New Zealand sources must be shown in the return. Write the total of all RLWT deducted in Box 13A. If the company has had NRWT deducted from New Zealand interest, include this in Box 13A. Add up all the gross interest amounts (before the deduction of any tax) and write the total in Box 13B.

Copy your gross interest from your RWT withholding certificate to Box 1.

1

Print any negative interest you have paid in Box 2.

2

Subtract Box 2 from Box 1 and print the answer in Box 3. Copy this amount to Box 13B of your tax return.

3

Question 14 New Zealand dividends

Generally, dividends are taxable. However, there is an exemption for dividends paid between members of a wholly owned group.

To work out the total gross dividends, add up all net dividends received, any imputation credits and any RWT deductions. Write the total of all dividends in Box 14B.

Dividend tax credits

The total tax credits for dividends (i.e. imputation credits), you can claim is limited to the income tax payable (28%) on each dividend the company receives. This is to ensure that surplus tax credits are not used to shelter tax on other income.

Work out whether you need to apply this limitation to the dividend tax credits you will claim.

Copy your total gross dividends (calculated for each dividend that had an imputation credit) from Box 14B to Box 1.

1

Multiply Box 1 by 0.28 (28%), and write the result in Box 2.

2

Write your total dividend tax credits (calculated for that dividend) in Box 3.

3

For each dividend, claim a dividend tax credit for the lower amount shown in Box 2 or Box 3.

Write the total dividend imputation credits you are allowed to claim in Box 14.

In Box 14A write the sum of your total dividend RWT credits you are allowed to claim.

Foreign dividend payments (FDP)

The FDP rules have been fully repealed from 1 April 2017 as part of the Taxation (Annual Rates for 2016-17, Closely Held Companies, and Remedial Matters) Act 2017. This means FDP can no longer be included in your annual income tax return. Please do not include FDP credits in Box 14A and also leave 41B and 42B blank.

Have you received any income from the sale/disposal of property?

Show any income from taxable property sales at box 21 of the return, if not already included elsewhere in the return. A *Property sale information (IR833)* may also need to be completed if not already done.

Under the bright-line test for the sale/disposal of property, if the company acquired residential property on or after 1 October 2015 and sold it within two years, any gain may need to be accounted for.

Residential withholding tax (RLWT) credit

If the company is an "offshore RLWT person" and has sold or transferred residential property located in New Zealand, RLWT may have been deducted from the sale price. Enter the amount of any RLWT deducted from the sale price, less any RLWT paid back to the company and/or transferred to outstanding amounts during the income year. If there was more than one amount deducted, show the combined amount. Print the total in Box 21BA.

Need more information?

For further information about completing your return see our *Company tax return guide (IR4GU) 2018* at www.ird.govt.nz (search keywords: IR4GU 2018) or call us on 0800 257 773 (key phrase: order the IR4GU) to get a copy.

Getting a refund?

The fastest and safest way to receive your refund is by direct credit to your bank account. Please check the correct bank account number is preprinted at Question 8 of your return. If your bank account number showing is incorrect or isn't preprinted, please include it at Question 8 of your return.

Return and payment due dates

Complete your IR4 return online or send it to us by 7 July 2018. If you have tax to pay, you must pay it by 7 February 2019. If you have an agent or a non-standard balance date these dates may be different.

2019 Provisional tax payment dates

Generally, a company with a 31 March balance date pays provisional tax by the following due dates:

First instalment	28 August 2018
Second instalment	15 January 2019
Third instalment	7 May 2019

Annual imputation return

The annual imputation return must be completed for the period 1 April 2017 to 31 March 2018, regardless of your accounting year.

For more information please read our guide *Imputation (IR274)*.

How to get our forms and guides

You can view copies of all our forms and guides by going to www.ird.govt.nz and selecting "All forms and guides" from the right-hand menu, or by entering the shoulder number in the search box. You can also order copies by calling 0800 257 773.

Post the return to us in the envelope supplied, or send to:
Inland Revenue,
PO Box 39090,
Wellington Mail Centre,
Lower Hutt 5045.

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