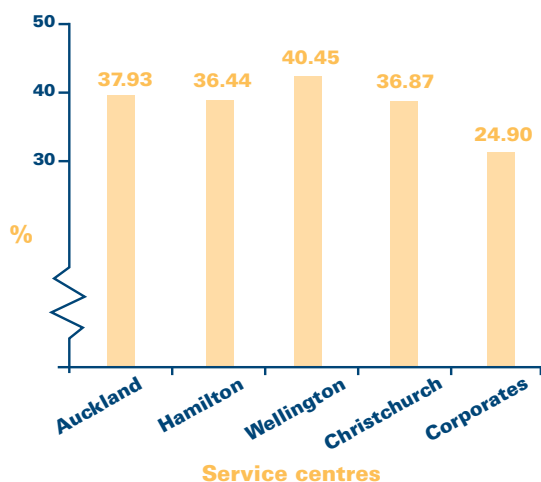


Return filing targets

Return filing target to 17 September 2004

The first interim target date for filing 2004 income tax returns was 17 September. The standard target was for 40% of all returns required to have been filed by then and as at that date a national filing percentage of 37.81% was achieved. This is in line with the national filing percentage for September last year, which was 37.79% and is still below the target.

Details of the filing percentages achieved by each region are shown in the graph below.



Second return filing target of 21 November 2004

The second extension of time (EOT) filing target date for filing 2004 income tax returns in the period 1 April 2004 to 31 March 2005 is approaching.

The percentages due to be filed by 19 November 2004 are:

Standard target	60%
E-File target	57.5%
Late balance date target	50%

If you think you may have difficulty achieving your targets, contact your agent account manager or Corporates account manager to discuss your situation. Remember you can send an L letter, using INFOexpress, to clients who haven't provided you with the information needed to prepare their return.

Inland Revenue's website

We are in the process of improving the look and feel of our website and it will be relaunched in December 2004.

We believe the changes will make our website far more user-friendly. These changes include:

- Reworking of much of the site content
- Clearer categorisation of information to better meet users' needs
- Navigation that ensures a more straightforward path to the desired information.

We are also in the process of improving our online forms, returns and calculators. These improvements include:

- Clearer labelling and language with less jargon
- Improved page flow which will take users directly to the next part of the online return and only questions which need to be answered will be visible. This eliminates unnecessary scrolling and reduces the scope for potential confusion
- Help text to make it clear what information each section of the online return requires.

Another change of interest to tax agents will be the new Tax Agents' area. This area will be reached through a link on the homepage and provides direct access to all online services, newsletters and bulletins, news items and information and resources that tax agents require.

Check out our website www.ird.govt.nz for regular updates.



Agent account managers

Some tax agents have asked for clarification of the role of an agent account manager (AAM) and when to contact them.

The purpose of the AAM is to improve voluntary compliance of tax agents and their clients by delivering a pro-active, professional service to all new and existing tax agents assigned to them.

This is achieved by:

- Developing a strong workable business relationship with tax agents
- Facilitating a resolution to problems affecting tax agent performance
- Encouraging tax agents to use new technology from Inland Revenue to maximum advantage
- Provide all necessary assistance to tax agents' in the education and development of their clients' tax knowledge
- Learn about the commercial realities of a tax agent's business
- Gather information about developments in the world of tax accounting in so far as the issues are relevant to Inland Revenue.

The service the AAM provides does not replace other services that you would normally use in your the way you have always dealt with Inland Revenue. For normal day-to-day business use our tax agents' line. Use your AAM for unusual or exceptional problems.

An important aspect of the role of an AAM is ensuring tax agents meet their return filing percentage obligations.

Your AAM will keep you up-to-date with new services and products and provide useful information that will help you reduce compliance costs. These include:

- E-File
- Inland Revenue's website
- INFOexpress
- StationeryXpress
- Tax agents' CD Rom
- Tax agents' freephone line
- Look at account information

For more information about how this service can assist your business with Inland Revenue please contact your agent account manager.

Automatic issuing of IR 901CL payment slips

Thank you to all tax agents who responded to the question in the September *AGENTSanswers* about the cancellation of the automatic issuing of these payment slips.

We are continuing to look at the options for these payment slips, and will advise any changes as soon as decisions have been made. The next automatic issue of the IR 901CL payment slips will be delivered in January 2005.

If you currently receive the IR 901CL and no longer require them, please advise your agent account manager or call the tax agents' freephone line to cancel them.



Partnership changes

Restarting a partnership

As long as the partners are the same as when the partnership was operating previously, there's no need for a new IRD number. Simply contact us and we can reactivate the old number. This happens most commonly with a family partnership.

Change of partners

If there is a written partnership agreement which allows for partner changes, the partnership doesn't need to get a new IRD number—it can simply change the name of the partnership under the existing number.

However, in some cases you may be asked to provide all details in writing, along with a copy of the existing partnership agreement.

Otherwise a new partnership number is generally required.

Operating two businesses

If there is already a partnership between two or more people, and they start another business, they will need to apply for separate registration for GST, PAYE etc if registration is required. This will give them another GST number (not an IRD number).

Only one *Partnership income tax return (IR 7)* is required to be filed showing all partnership income.

Employer monthly schedule delivery

We have recently made changes to our bulk mailing process which means that you may now receive your employer monthly schedules for clients in different envelopes.

You may find that you are receiving smaller envelopes or more than one envelope.

Because of the different filing frequencies and different employer monthly schedules it is possible for an agent to receive four separate envelopes from the end-of-month employer monthly schedule runs.

This is because each different employer type is selected and enveloped separately by our system.

The employer monthly schedules will be delivered as follows:

- Tax agent with nine or less total pages receives a standard business envelope
- Tax agent with 10 or greater total pages receives an A4 size envelope
- You will receive separate envelopes for employers that file monthly and twice-monthly
- You will also receive separate envelopes for employers that file IR 345s and IR 346s.

Inland Revenue surveys compliance costs

Inland Revenue is encouraging small businesses to take part in a major survey on tax compliance costs.

For the first time in 12 years, the amount that small businesses spend on tax compliance will be quantified. The findings will help the Department focus on reducing compliance costs, and will be used to advise the government on policy and assess new initiatives. In a few years' time, a follow-up survey will be carried out to judge the impact of tax simplification initiatives.

Inland Revenue consulted with Business New Zealand on the survey design, and Colmar Brunton is commissioned to carry it out. Around 5,600 businesses have been invited to take part. The survey started on 14 October 2004 and will end on 19 November 2004.

Businesses' confidentiality is guaranteed—Inland Revenue will not know who responded, and all results will be anonymous. Those wanting more information can contact Inland Revenue on 0800 833 445.

E-File GST returns

Tax agents who file income tax returns using E-File may now be able to E-File GST returns as well. Please contact your software provider to find out if you can do this.

The E-File GST returns facility is part of our continued development of the E-File service.

Benefits of using E-File include:

- Faster processing of returns as edit checks are built into the E-File software to help reduce errors
- Tax refunds will usually be received more quickly
- You receive a confirmation report within half an hour of the documents being E-filed to show that they have been received.



Tax agents' CD Rom questionnaire

Thank you to all tax agents who returned the CD Rom questionnaire that was included with the September issue of *AGENTSanswers*.

We are currently collating the responses and will have an update for you in the next issue.

Ordering the *Tax agents' CD Rom*

The CD Rom is sent to all tax agents registered with Inland Revenue, but if for some reason you have not received one you can order a copy of Version 6 of the *Tax agents' CD Rom* from INFOexpress or StationeryXpress. You will need to quote shoulder number IR 780 when you order the product.

Version 7 of the *Tax agents' CD Rom* will be available in early April 2005.

"Look at account information" service

Your agent account manager will have mentioned the service's emphasis on information security and the need to have internal processes in place to protect that security. So, have you thought about what happens to a user's access when they leave, or you transfer your client list or cease business?

- Do you have a process in place to cancel a staff member's user ID when they leave?
- Do you have a process in place to cancel user IDs when moving your client list from one IRD number to another?
- Have you thought about what will happen to active user IDs when you cease business?

The implications of **not** having a process are that the staff member may continue to access all the online services e.g "File an employer schedule", "Send and receive mail" and "Look at account information" applied for during registration. Your personal or business account information and client accounts may also be accessed.

You can cancel a user ID online and should make this part of a staff member's exit process. However, if a staff member has left without this being done, or the business has already ceased, or the client list has been transferred and it is not possible to ask users to cancel their user IDs online, contact the call centre 0800 473 249 and ask them to cancel the user IDs.

Note from the editor

If your mailing details are incorrect, we have missed someone off the distribution list or you have suggestions for future topics, please contact:

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