

AGENTS ANSWERS

Inland Revenue's tax agents' update



Inland Revenue
Te Tari Taake

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REMINDERS

28 March: GST returns and payments are due for the taxable period ending February.

31 March: Final date for ratio option provisional tax applications. Student loan repayments are also due for overseas-based borrowers.

31 March: Income tax returns for the 2018 income year should be filed by 31 March 2019. However, as 31 March falls on a Sunday, the final date for filing has been extended to the next working day – Monday 1 April 2019. Please file early, do not leave it to the due date.

7 April: Income tax, Working for Families, and student loan payments for the 2017/18 tax year are due for those with an extension of time (EOT).

If you have any suggestions for topics you'd like covered in this newsletter, email agents.answers@ird.govt.nz

Our key services will be unavailable

The latest improvements to myIR will go live on 26 April.

For more information visit www.ird.govt.nz (search keywords: transformation tax agents). To make these changes key services will be unavailable between the afternoon of Thursday 18 April and Friday 26 April 2019. During this time you won't be able to access myIR or contact us through our contact centres. Our offices will also be closed. Secure mail messages saved as drafts and any draft returns within myIR can't be brought across and will be deleted as part of this process. Please therefore check your secure mail messages and submit any draft returns before Thursday 18 April.

ir-File will be discontinued on 11 March

The ir-File service in myIR will be discontinued on 11 March. If you're still filing monthly schedules after 11 March you must use the 'payroll returns' account in the Business section of myIR to file EMS and employer deductions. To file for your clients, add the payroll returns accounts to your workspace. You'll need to ensure you're linked to your client for PAYE to be able to continue filing for them.

IMPORTANT: myIR owners may need to delegate access to others

You can find out more on our website at www.ird.govt.nz (search keyword: ir-File).

Get ready for Payday filing

All employers must be payday filing from 1 April 2019. Use the payroll returns account in myIR, file through compatible software or by paper (only available if the employer's annual PAYE/ESCT is less than \$50,000).

Make sure you and your clients are ready. Check out our guides, videos and checklists to help you get ready at ird.govt.nz/payday

Webinars & seminars

You can continue to catch IR webinars live and on demand at cchlearning.co.nz There are two coming up in April on **everything tax agents and bookkeepers need to know about April tax changes**.

You can also attend a presentation in person. You can find out about the presentations by going to www.ird.govt.nz/taxpros

Tips for myIR

Financial transfers

Has a payment for GST or FBT gone to the wrong period? You can request a Financial Transfer in the Tax Preparer tab of the Business section of myIR. We'll aim to process the request within 48 hours, but soon these will be automated.

Can't find a payment or is the account showing with an overdue balance?

- Sometimes the payment reference entered was the payment due date rather than the period end date. This results in the payment being allocated to the following period and the previous period remains overdue.
- Sometimes the payment for a previous period has been received but hasn't been allocated. You can search for pending payments in the Business section of myIR. Make sure the client is in your workspace and click on "Review payment/return information" in the "I want to" menu.

Welcome to Inland Revenue's online services area [Privacy and Security Policy](#) | [Contact Us](#)

myIR

View payment and return information Welcome, [Settings](#) [Log Off](#)

[My business](#) > **View payment and return information**

Accounts **Show** **For periods**

All Payments All

Pending

Payments

Filter: Use this field to filter by keywords, dates, or numbers

Status	Amount	Period	For	Id	Name
Pending	\$42,789.06	31-Jan-2019	GST	159-951-159-GST002	Client 1
Pending	\$4,698.03	30-Nov-2018	GST	195-195-195-GST002	Client 2
Pending	\$39,218.97	31-Dec-2018	GST	185-158-195-GST002	Client 3
Pending	\$4,380.00	30-Nov-2018	GST	158-185-185-GST003	Client 4
Pending	\$3,451.62	31-Jan-2019	GST	178-187-178-GST002	Client 5
Pending	\$594.82	31-Jan-2019	GST	187-187-187-GST002	Client 6

Tax implications of working for accommodation

A business owner (like a farmer, restaurant owner, or someone in the accommodation business) who provides accommodation to workers in return for them carrying out tasks should be aware that there could be income tax, GST and other implications of providing that accommodation.

For example, the value of accommodation may have to be treated as salary or wages for the worker and, for owners of commercial dwellings like hotels, hostels or camping grounds, there will be GST on the supply of the accommodation.

It is especially important for businesses in industries like farming, hospitality and tourism who engage students, backpackers and other casual workers for seasonal or short-term arrangements to be aware of this issue.

You can find out more on our website about:

- determining who is an employee
- the market rental value of the accommodation
- expenses that might be deductible to the business owner
- the possible GST that might be payable by the business and worker, and
- other relevant issues that may need to be considered.

Find out more at www.ird.govt.nz under "Updates" on homepage.

Refunds from ACC for overpaid levies – tax obligations

If your customers were in their first year of self-employment between 2002 and 2017, or paid provisional ACC levies after ceasing trading, ACC may owe them a refund. Customers getting refunds may also be paid compensation by ACC.

The refund process should be complete by 31 March 2019.

Tax obligations

If your customers claimed the levies as a deduction, the refund is income. They should include this income in the tax year they received the refund. For most it will be the 2019 tax year.

For example, include a refund they got on 15 March 2019 in the 2019 income tax return (31 March balance date).

They don't have to pay tax on any compensation paid by ACC in relation to these refunds.

For more information

For more information and updates about ACC levy refunds go to acc.co.nz, call 0800 222 776, or email business@acc.co.nz

2019 National standard costs for specified livestock determination

We've recently published this determination. It applies to any specified livestock on hand at the end of the 2018 - 2019 income year where the taxpayer has elected to value that livestock under the national standard cost scheme for that income year.

You can find the determination at www.ird.govt.nz (search keywords: national standard livestock). Make sure you untick "Exclude Technical Tax".

Deferring your clients' status – D status

If there's a valid reason a return can't be filed by 1 April 2019, we can change your clients' EOT status to D (deferred).

Valid reasons may include, but are not limited to:

- difficult personal circumstances for your client
- unavoidable difficulty in obtaining third part information
- pending legal proceedings
- other non-personal circumstances beyond the clients control where the client's records were damaged or destroyed.

Your Account Manager can assist you with your application for these rare circumstances. As a minimum, you will need to supply the:

- client's name and IRD number
- reason their return cannot be filed
- date you will file the return.

Please note, this year the application needs to be made before 22 March 2019.



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