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BUSINESS TRANSFORMATION

April 2019

Latest news about Inland Revenue's transformation



Law to make tax more straightforward for New Zealanders



Over the last couple of months, we've told you about some of the upcoming changes to income tax via our 'Changing for You' campaign.

In March 2019, Parliament passed legislation to make the income tax process for most individuals more straightforward. These changes will apply from 1 April 2019 and to the end-of-year processes for the current tax year (1 April 2018-31 March 2019).

We can confidently share with our customers (especially salary and wage earners) that end-of-year processes are now much simpler.

Most salary and wage earners won't need to do anything to finalise their tax position.

Personal tax summaries (PTSs) are no longer required and many people will get a refund automatically, some for the very first time.

If we notice anyone paying too much or too little tax, we'll suggest a different tax rate or recommend a tailored tax code.

If you need to provide us with more information, you can easily amend your income tax assessment in myIR.

Pre-population of returns will simplify the process for IR3 customers.

If you earn other income (e.g. business or rental), we will pre-populate income tax returns with employment or investment income information where tax has already been deducted.

Most tax refunds will be paid automatically from late May until July. To find out more about

the changes, and what these mean for you, visit our website.

Dates for your diary

In March we held our final dress rehearsal to get our timing and sequencing right ahead of 26 April, when the next changes designed to make tax more straightforward come into effect.

Our services will be unavailable for a short period, taking advantage of the Easter and ANZAC Day public holidays, to allow for the changes to be made. You need to know that:

- Our core systems, our front of office counters and our contact centres will shut down from 3pm on Thursday 18th April 2019.
- Systems and services will be back open on the morning of Friday 26th April 2019.

By closing over these dates, which include just two working days, we hope to minimise the disruption for you and limit the time our services will be unavailable. Our website will continue operating and you can make payments via online banking.

Payday filing is here

Payday filing became mandatory on 1 April, which means all employers must be payday filing now.

This means that you:

- Need to file employment information within:
 - Two working days if filing electronically, or
 - Ten working days/twice-monthly if filing on paper
- Can file in advance and don't need to file nil returns
- No longer need to file an *Employer Deductions* form (IR345)
- Need to file additional details about new and departing employees.

Remember, payment due dates stay the same.

Payday filing helps us get more timely information to better calculate our customers' tax and entitlements, including income tax, Working for Families Tax Credits, and child support. Over time, it will better integrate the tax system into business processes, making it easier to provide information to us.

Our latest webinar aims to answer all of your key questions about payday filing. You can watch this on demand <u>here.</u>

For everything you need to know about payday filing, including helpful guides, factsheets, and videos, visit our <u>website</u>.

Our new website goes live in April

Our new website will go live as part of our next transformation release on 26 April 2019. Featuring a

modern new-look homepage, the new site will also initially present child support, working for families and income tax content in a crisper, more accessible style, as tested on the beta test site.

The remainder of the current IR website's content will be updated, tested, and incorporated into the new site over the coming year. The greatly-improved site navigation,



layout and global search will allow you to get around and search for content across the two sites during this time easily.

Other features of the new site include:

- Shorter content and fewer pages
- The ability to navigate content by role, situation, topic or task
- A responsive design allowing you to view the site on any device
- An improved online experience for those who are visually impaired.

If you have bookmarks or links to child support, working for families and income tax pages on the current IR website, there is a small chance these may break when the new site goes live, or redirect to other pages. You may need to re-establish these when the new site goes live.







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