

Hello there

Further to our earlier emails we want to update you about Shand Thomson at Level 3, changes to how we let you know about tax to pay, and provide some information about the latest tax relief that the Government has made available.

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Level 3

In accordance with the level 3 protocols, we and our team will continue to work from home. We will have a small presence at our premises from next Tuesday although our building is unable to be open to clients and the public. This change in status means it will be easier to deal with exchanging financial records, however meetings will still need to be by phone, Zoom, MS Teams or FaceTime.

Phone & Mail

You can contact us on our office number 03 418 0020 as usual. You can email directly or talk to Kay/Judy who will provide home numbers and/or cell phone numbers. We have access to the daily post and we can receive records or documents by prior arrangement with Kay or Judy. Our ability to send physical items is still restricted and we are finding the post to be very slow but where possible we will be catching up on the backlog of hard copy reports and records folders during level 3.

Tax to Pay on the 7th May

The reminder letters, for those who have a tax instalment to pay on the 7th May, **will be emailed rather than posted** to clients with email addresses. Please look out for these and contact us straight away if you have any questions. There will be one email per taxpayer so you may receive several emails. Those without email or who have cheque exemptions will be contacted separately.

One of the options for paying tax is at Westpac; however, the local branch has not been open during the lockdown. Westpac South Dunedin (216 King Street) and Westpac Gore (36 Mersey Street) branches are currently open between 10am and 1pm on Wednesdays only. These times may change at level 3 but please check with Westpac before you rely on this option.

Cannot Pay?

If you cannot pay your tax please contact us – there is provision for payment plans that spread your commitments out over a number of months. We can help put these in place and seek interest/penalty remission for you – just call or email us. You can also try DIY using web message via your MyIR account.

Latest Support Measures

Please see our earlier newsletters – information for businesses Update I and II [here](#) & [here](#) for earlier announcements about government assistance and tax relief.

Tax Changes

A number of tax changes have been announced in the last week to provide support for the small and medium business sector. It is estimated the changes could provide relief up to \$3b across NZ. Key changes are:

Tax Loss Carry Back

This is a temporary scheme that will allow businesses that anticipate incurring losses in 2020 or 2021 to carry those losses **back** to 2019 or 2020 and, to the extent of the tax effect of the losses, get an immediate refund of taxes previously paid. This gets cash to affected businesses much sooner than the current loss carry **forward** provisions that limit any tax benefit to such time as the business makes a subsequent profit. It has also been announced that this will be followed by a permanent loss carry back regime, which is good news.

Relaxation of Loss Carry Forward Rules

The relaxation of the 49% continuity test for carrying forward losses provided the company meets a “same or similar” business test is also welcome news. It will enable companies that need new capital to keep tax losses despite significant changes in shareholding brought about by capital raising.

Temporary Increased Discretion for the Commissioner (IRD)

These will enable the Commissioner to modify tax filing and payment dates for all revenue types. This gives the Commissioner the flexibility to respond quickly to Covid-19 affected businesses struggling to meet filing and payment deadlines.

Other New Business Assistance

The number of days required before landlords and mortgagees can foreclose has been extended:

- Cancelling leases extended to 30 working days (was 10)
- Sell or repossess - land extended to 40 working days (was 20) and goods to 20 working days (was 10)

The Regional Business Partner (RBP) network has been given additional funds to support SMEs.