



BRIGHT-LINE PROPERTY TEST EXTENDED TO FIVE YEARS

The sale of any property bought after 1 October 2015 may result in tax payable on the capital gains.

How long you owned it prior to sale plays a large part. Properties bought between 1 October 2015 and 28 March 2018 are subject a 2 year rule.

Properties bought on or after 29 March 2018 need to be held for a minimum of 5 years.

Five Years

Usually there is a main home exemption for the house that you live in.

A simplistic definition - if you have owned it for less than 5 years you may be taxed on any capital gains. But it is a complex area and care should be taken.

Of course if you bought the property with the "intention" to sell it (no matter how long you intend to hold it) the capital gains are taxable – and always have been.

There are many factors to look at so you should so talk to us or your solicitor before you LIST your property for sale; if you have already signed a contract it is too late.



PAYING TOO MUCH PROPERTY



EXERCISE FOR PEOPLE OVER 40

Begin by standing on a flat surface where you have plenty of space around you.

With a 5 kg potato bag in each hand hold your arms straight out from your sides.

Keep them held out straight for as long as you can.

Try to reach a full minute. Then relax

It WILL get easier.....**STICK WITH IT!**

After a couple of weeks move up to 10 kg bags.



You'll find that you can hold your arms out for a little longer each day.

Eventually, try moving up to 50 kg potato bags and then try to get to where you can hold a 100 kg potato bag, keeping your arms held out straight!

It CAN be done!
(I'm at this level now)

After you feel confident at this level put a potato in each bag.



2018

Information for Tax Returns

A number of clients have not yet sent in their questionnaires and other information for us to complete their financial statements and tax returns. If you are one of these you will start receiving reminders very soon. We need the information for the year from 1 April 2017 to 31 March 2018. So please get your stuff to us ASAP.

Anti-Money Laundering Compliance

From 1 October 2018 Accountants have to comply

The Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML & CFT Act, hereafter the Act) is transforming the way we do business in NZ.

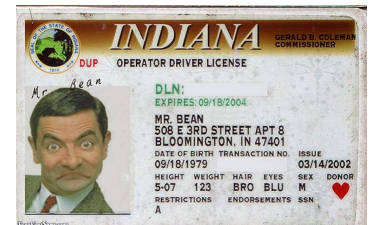


The purpose of the Act is to ensure that Income earned from illegal Activities, either here or overseas is not converted to “clean” money in NZ. It means that NZ will no longer be the easiest place in the world to do business and we will be besieged with forms; but that is a small price to pay for keeping our clean green image.

What does that mean for you?

We need perform mandatory due diligence (CDD) for all new and existing clients. We are required to collect identification information and proof of address as a minimum.

The photo ID we collect from you has to be verified, which means we have to meet you face to face and check the original ID against you before taking a copy. If we cannot meet with you and verify this ourselves, the ID needs to be verified by a public notary or a lawyer.



The proof of address required is a utility bill, bank statement or other official document, sent to your address within the last three months.

For our existing clients we will try to combine this process with the provision of services to you, i.e. preparation of your financial statements and tax returns etc.

Financial institutions and legal firms had to start complying with the Act some time ago. Therefore, if you have had dealings with a financial institution such as a bank or dealt with any lawyers over the last six months, you’ll be pretty familiar with these requirements already.

What are we doing?

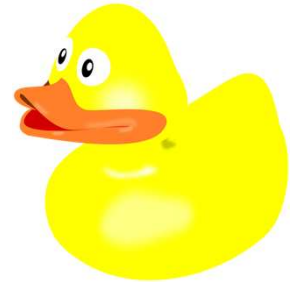
To minimise the impact and costs to our clients we will put a few changes in place so that the firm is not subject to an audit every 2 years; a cost that we would then need to pass on to you, our clients.

1. We will change the Registered Office for all companies that currently use our address.
2. If we are a Trustee of your Trust or Executor of your Estate we will resign.
3. We will update our Engagement Letters and Privacy Act forms so that we are authorised to complete CDD. These will be sent out over the next few months; or when we do your annuals work.
4. We will add a signature on our questionnaires and will require a signed Questionnaire for each client every year; we will not be able to complete any work on your behalf until we receive this – the updated questionnaires will start for 2019 tax year.

We are trying to keep this as simple as possible for our clients

VETINARY FEES & CHARGES

A woman brought a very limp duck into a veterinary surgeon. As she laid her pet on the table, the vet pulled out his Stethoscope and listened to the bird's chest.



After a moment or two, the vet shook his head and sadly said, 'I'm sorry, your duck, Cuddles, has passed away.' The distressed woman wailed, 'Are you sure?'

'Yes, I am sure. Your duck is dead,' replied the vet.

'How can you be so sure?' she protested. 'I mean you haven't done any testing on him or anything. He might just be in a coma or something.'

The vet rolled his eyes, turned around and left the room. He returned a few minutes later with a black Labrador Retriever.

As the duck's owner looked on in amazement, the dog stood on his hind legs, put his front paws on the examination table and sniffed the duck from top to bottom. He then looked up at the vet with sad eyes and shook his head.

The vet patted the dog on the head and took it out of the room.

A few minutes later he returned with a cat.

The cat jumped on the table and also delicately sniffed the bird from head to foot. The cat sat back on its haunches, shook its head, meowed softly and strolled out of the room.

The vet looked at the woman and said, 'I'm sorry, but as I said, this is most definitely, 100% certifiably, a dead duck.'

The vet turned to his computer terminal, hit a few keys and produced a bill, which he handed to the woman.

The duck's owner, still in shock, took the bill.

'\$150!' she cried,

'\$150 just to tell me my duck is dead!'

The vet shrugged,

'I'm sorry. If you had just taken my word for it, the bill would have been \$20, but with the Lab Report and the Cat Scan, it's now \$150.'

