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SOSA Staff Day 2020

On the 26th November we closed the office and had a day out in Martinborough.

We spent the morning in a scavenger hunt competition on croc bikes and had a wonderful lunch at The Vineyard Cafe. We were very lucky with the weather!



We wish you all a very Merry Christmas and a Happy New Year. Stay safe over the holiday period. We would like to thank you all for your continued support over a very busy and challenging 2020.

*Leanne, Becks
& the Team*



Business Bites

We are saying goodbye to cheques



From 31 May 2021 we will no longer accept cheques.

Banks are either phasing out cheques or have already done so. If you still use cheques as a form of payment, we recommend looking at alternative options now!

We bank with ANZ and they have a two-step approach to phasing out cheques. Firstly, they stopped issuing cheque books from **30 November 2020**. Then, after **31 May 2021**, ANZ will no longer be accepting cheque deposits – this includes ANZ cheques and cheques or Bank Cheques from other banks. Similarly, ANZ cheques deposited at other banks will not be accepted by ANZ.

Any ANZ Bank Cheques dated on or before **31 May 2021** will still be honored at ANZ branches subject to usual requirements.

Less interest on employee loans



Inland Revenue has reduced the amount of interest you need to charge an employee (including shareholder employees), if you give them a loan.

Provided you charge at least 4.5 percent from 1 July 2020, there will be no fringe benefit tax liability. This is down from the previous figure of 5.26 percent.

If your business is run through a company and you overdraw your current account with the business, you would also be liable to pay interest on the amount overdrawn.

We have mentioned this before, but it will not hurt to remind you – if you cease business as a company and draw out all the money, you could be liable to pay interest.

Companies, unless they are Look-through Companies, are only allowed to pay out their capital profits if the company is in the process of winding up its affairs.

The process of winding up does not commence until a suitable minute has been signed. Therefore, early withdrawals of money may be treated as shareholder advances.

Residential Tenancies Amendment Act in force

Big changes to tenancy legislation are underway, with the 12-monthly limit on rent increases already in effect to help tenants struggling financially following Covid-19.

Early next year we'll say goodbye to 90-day no-cause terminations and rental bidding, and tenants will be able to make small changes to properties - such as baby proofing or hanging pictures.

A last-minute change brought in means landlords will be able to terminate tenancies with 14 days' notice if a tenant assaults them and allows victims of family violence to end a tenancy with two days' notice.



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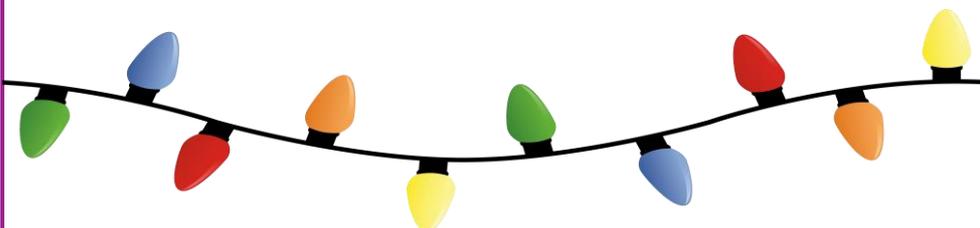
Entertainment Expenses

What you can and can't claim

Parties and gifts are all part of the festive fun but the rules around deductibility can be confusing. Here's a list of the rules around entertainment expenses so you know what's deductible and non-deductible when you fork out for your staff and customers.

1. To claim 100% of your customer gifts, keep it non-food or drink related. Book vouchers, tickets to a sports match or a personalised calendar can be claimed in full.
2. Got a staff party planned? Half your food, drink, entertainment and venue hire can be claimed in your GST and income tax returns.
3. If you're giving customers and staff food and wine for their efforts you can claim 50% as a business expense.
4. Donating to charity this Christmas? You can deduct 100% of the cost of entertainment you provide to members of the public for charitable purposes.
5. If you're taking your family (who don't work for you) out for brunch to thank them for putting up with your long hours... it's not deductible because it's not related to generating income for your business.
6. Taking the team out for lunch? Ordering in a Christmas feast? You can claim 50% as a business expense whether you're out of the office or on-site.
7. Top tip: If you run out of time to organise Christmas gifts for customers, why not surprise them with a 'Welcome back to work' prezzie in the New Year?

Remember to keep your invoices and receipts for business entertainment expenses and if you have any questions about what's deductible and non-deductible, give us a call.



Business Bites

Westpac IRD payment barcodes



If you are paying IR by cash or EFTPOS at a Westpac branch a barcode is needed.

A reminder that from 1 October, Westpac will only accept tax payments with a barcode for those of you who make payments at a Westpac branch or Smart ATM.

The barcode is to ensure payments are going to the right place. See below for more information, and alternative payment options.

Where to find a barcode:

Barcodes are usually printed on Inland Revenue returns, statements or letters. Otherwise, a barcode can be generated on the IR website, which can then be printed, or shown on a mobile device.

To generate a barcode go to ird.govt.nz/barcode or contact us for assistance.

You can also pay by direct credit via internet banking and with a credit or debit card over the phone.



Congratulations Shanna & Jake!

Shanna is out of the office in early December as she is getting married! We wish her and Jake the happiest of wedding days and the best for their future together.



Our Practice Manager, Rebecca and her mount Private Benjamin III have had a very successful start to the equestrian season. They are already qualified for Horse of the Year Show 2021 in Working Hunter and Show Hunter.



Southey Sayer Wairarapa Korus 2020/21 Season So Far



We are excited to announce that we have signed a 2-year extension to our sponsorship of the Wairarapa Women's Cricket team.

The Southey Sayer Wairarapa Korus 2020/21 season is underway and off to a steady start which has seen them go down to Hawkes Bay in their season opener only to bounce back with a good win in their second game vs Manawatu.

The Korus lost to Hawkes Bay in their season opener by 7 wickets. Elizabeth Cohr [42] and Melissa Hansen [23] were standouts with the bat for the Korus, while Melissa Hansen bagged a couple of wickets. Hawkes Bay reached the target of 144 set by the Korus with 1.5 overs to spare.

In their second game The Southey Sayer Wairarapa Korus defeated Manawatu by 4 runs in a closely fought contest. Gemma Sims lead the Korus scoring with 55 runs. The bowling saw several contributions, Olivia Roseingrave, Ella Southey and Emma McLeod all took 2 wickets while Hattie Vincent and Elizabeth Cohr took 1 each.

The Southey Sayer Wairarapa Korus will return to action in the new year with the remainder of their games all being played away from home.

The team at SOSA would like to wish the team the best of luck for the remainder of their season!

OFFICE CLOSURE

Christmas – New Year's break

Please note our office will close at 2:00 PM on Wednesday 23 December 2020 and will re-open in the New Year at 8:30 AM on the Monday 11 January 2021.



An Important Message

While every effort has been made to provide valuable, useful information in this publication, this firm and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within your own particular circumstances, as they are intended as *general information only*.

