

Happy Holidays

SOSA will be closed from 3pm
Friday 20th December and re-opens
Monday 13th January 2025 at 8.30am



**We would like to thank you all for
your continued support over a very
busy 2024**

Leanne, Becks and the team

Business Bites

December 2024

SOSA Staff Christmas Day

Our Christmas staff day was a little different this year!

We started with a tour through the Van der Put's garden where they grow beautiful freesias during the off season.



Then we stopped at Main St Deli for morning tea before heading to VBI, a dairy farm where we saw the milking shed and got up close and personal with their stock before enjoying a Christmas buffet lunch at Baloos in Greytown.



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Business Bites

SOSA PO Box

Just a reminder that anything you post to us needs to be addressed to our PO Box



PO Box 125
Masterton 5840

SOSA Staff Christmas Day



Thank you for your hospitality, Van der Put's and Van Beek's



Give your business a boost

Be inviting to lure your customers in

Retailing is tough these days, and it's important to make sure your store looks inviting from the street. Here are five simple tips that could help transform your store from boring to beautiful.

Make the most of your window space

Create eye-catching displays that showcase your products, especially your best sellers. Keep your displays fresh and dust-free. If you see a cool display at another store, don't be shy to ask the owner for some tips.

Declutter

Boxes belong in the back, not blocking your windows. Make sure customers can easily access your counter without tripping over stuff.

Keep the footpath clean

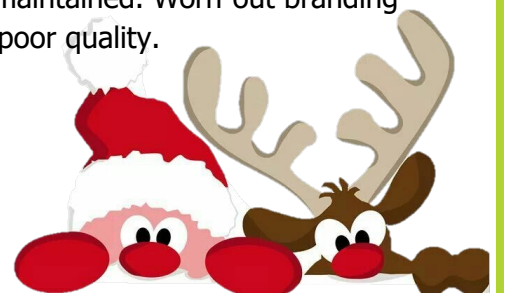
A quick sweep in the morning and some water when needed can make a big difference in how your store looks.

Light it up

Make sure your store is well-lit, and your products are easy to see. If your store gets foot traffic in the evening, consider keeping display lights on at night. Using LED lights can help you save on electricity costs.

Keep your signs looking fresh

Whether it's a price tag or your store's branding, make sure your signs are clean and well maintained. Worn-out branding suggests poor quality.



SOSA Staff Christmas Day



Business Bites

Tax Calendar 2025

15th January 2025

Second instalment of 2025 Provisional Tax for March balance date – except those who pay Provisional Tax twice a year.

Pay GST for the period ended 30 November 2024

File and pay on time to avoid penalties



Undercharging a recipe for disaster

We all know most businesses fail within their first five years.

There are many reasons, but one of the most consistent issues, especially for new business owners, is pricing. It's a tricky area, with the huge temptation to underprice the market to get new business.

That strategy is a recipe for disaster. Undercharging is universally recognised as the biggest, most common and most dangerous mistake in business.

The forces that push businesses into liquidation work both ways. The business owner might be producing a great product but doesn't appreciate how good it is, so it's sold cheaply. Chances are the customer also doesn't appreciate its value because it's cheap. Often, the higher your price the more you will be perceived as good at your job!

Set your price to the point of resistance. In other words, your customers will tell you if they think you've overshot your pricing.

Get creative with AI New Zealand

AI is here for good, but most small and medium businesses are still reluctant to adopt it

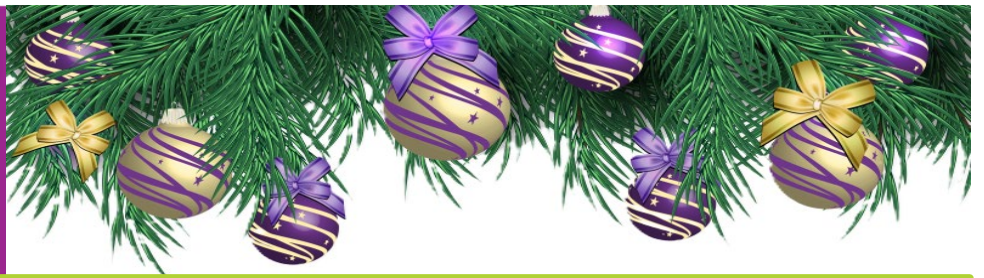
The reasons - not understanding how it can be used, and little appreciation of its value to a business. However, some business pundits are suggesting those who adopt AI now will gain the most in years to come.

One of the most used AI tools for small businesses is creative writing. So how is AI being used?

AI can make a valuable contribution to your productivity. Think about what writing you do through the day. Maybe as a builder, for example, you don't think you do a lot of writing but, you have to write emails to prospective clients, and occasionally reply to an unhappy client. Whether it be writing emails or finding the right words for advertising and keeping your website or social media page up to date, once you start using AI writing tools, you'll find all sorts of other uses.

There are lots of AI programs to choose from, so just search online: "Ask AI a question". You might be surprised at the answers - But always remember, AI is not you. If the words AI spits out don't reflect your true personality or faithfully reflect your business brand, people who know you will be wary. Check everything before you press 'Send'.





Extra pay when employment ends

From 1 April 2025, it is proposed to have a new way to calculate tax when someone leaves your employment. Employers will determine the tax based on the amount of the extra pay and the annualised amount of PAYE income payments received over the last two pay periods.

This is how it works

Amount of extra pay - This is the total amount of the extra payment.

Annualised amount of PAYE income payments received over the last two pay periods - This is the total PAYE income the employee received in their last two pay periods, multiplied by 52 (number of weeks in a year) and divided by the number of weeks in the two pay periods.

Let's simplify this with some examples

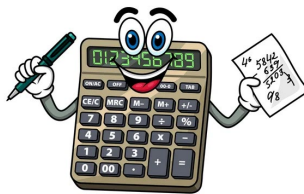
John receives a total PAYE of \$1500 per fortnight and will receive \$15,000 extra pay upon ending his employment.

$$(\$1500 + \$1500) \times 52 / 4 = \$39,000$$

$$\$39,000 + \$15,000 = \$54,000$$

The tax rate on \$54,000 is 30%

This is therefore the tax rate which will apply to the \$15,000 extra pay.



Jane receives a total PAYE of \$800 per week and will receive \$7,000 extra pay upon ending her employment.

$$(\$800 + \$800) \times 52 / 2 = \$41,600$$

$$\$41,600 + \$7,000 = \$48,600$$

The tax rate on \$48,600 is 17.5%

This is therefore the tax rate which will apply to the \$7,000 extra pay.

ACC will also need to be deducted so make sure you use the tax tables which include ACC

Overseas Pension Schemes

There are tax complications when a taxpayer wants to transfer a pension scheme from overseas to a New Zealand scheme. Before embarking on a transfer of this nature, get advice.

If the scheme is being transferred from the UK to NZ, two taxes can be levied. The latest Tax Bill proposes to allow the taxpayer to use the NZ scheme to pay the tax. This would apply only to transfers of funds and not to any tax on withdrawal of funds. Previously, the taxpayer has had to find the money, personally, to pay the NZ taxes and if they used the money from the fund that would trigger a UK withdrawal penalty if they weren't retirement age.

If the scheme pays the NZ tax, then that isn't seen as a withdrawal by the individual in the UK, which fixes the problem. The Bill also proposes to allow people under the age of 16 to be enrolled in KiwiSaver if one of their guardians' contracts directly with the provider in the name of the young person. This is expected to come into effect from 1 July 2025.

