



# MCA

MATHIESON CHARTERED ACCOUNTANTS LTD.



PROFIT



GROWTH



CASHFLOW



SUCCESSION



PROTECTION

## Newsletter – May 2016

### BUDGET – 2016

The Budget 2016 details will be delivered on 26 May 2016. Keep watching for our special budget newsletter.

#### LAND TAX

The Government has talked about implementing land tax that is aimed at dampening the demand in the property market, especially from foreign buyers. This land tax would apply to foreign buyers and could potentially also apply to New Zealanders that have been non-residents for a certain amount of time. The land tax would be paid annually, perhaps as a proportion of the value of the land. However, there is no land tax measure in the May 26 Budget, and the Government has stated that there is no evidence supporting such a tax. From October 1, those who are not tax resident and are buying property in New Zealand must supply their equivalent of an IRD number. This will allow the Government to better collect information and data on foreign property ownership, and if necessary, provide the grounds for the implementation of a land tax. We will keep you posted on what this means for you and your business.

#### PANAMA PAPERS

The leak of millions of documents from Panamanian law firm Mossack Fonseca has exposed how the world's wealthy often used trusts in other countries to avoid tax. This has had a massive impact on many jurisdictions. In New Zealand, the Government has appointed tax expert John Shewan to conduct a review of disclosure rules covering foreign trusts amid claims the country is a tax haven. It is yet to be seen what will come of this review, but many are tipping changes to occur as a result. Again, we will keep you posted on what this means for you and your business.

#### IMPORTANT DATES - MAY

7 May – Provisional tax instalments, student loan interim payments, GST returns and payments due  
28 May – GST returns and payments due

## SPOTLIGHT REPORTING

#### SPOTLIGHT REPORTING

We are proud to partner with Spotlight Reporting. Spotlight Reporting is a power cloud-based management reporting tool, which allows us to transform your financial and non-financial data into visual performance reports. Making informed decisions based on business intelligence is a must for businesses wanting to achieve better results. Spotlight Reporting provides both clarity and actionable insights to help your business succeed. As well as reporting, there is also Spotlight Forecasting, which provides a 'all-in-one' budget creator, three-way forecasting and scenario builder. An additional feature is the Spotlight Dashboard, which focuses on key metrics. The dashboard provides an instant snapshot of business performance to enable you to focus on what really matters. More information can be found [here](#).

#### INTEREST RATES

Interest rates have stayed the same, with the latest announcement coming on the 28<sup>th</sup> of April. This means that the official cash rate is at its lowest since its inception. Further cuts are expected later on in the year if things keep trending their current way, however house price rises could change this.