



MCA

MATHIESON CHARTERED ACCOUNTANTS LTD.



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Newsletter – October 2016

IRD AND UNDECLARED CASH JOBS

You may have noticed that the Inland Revenue Department (IRD) has recently been advertising their stance on undeclared cash jobs. According to the IRD publication “It’s never too late to do the right thing”, it’s ok to do jobs for cash, or for your mates, as long as you record them and declare the income when filing your annual return.

To ensure you are abiding by the rules stated in this publication, it is important that you:

- Record every job completed, no matter how big or small.
- If you are registered for GST you must charge GST.
- Declare all your income when you file your tax return.
- If you have left some income off your tax return, it is best to let IRD know, rather than wait for them to find out when they do an audit. This can be done by making a full voluntary disclosure and you can work through this process with us.

You can make a voluntary disclosure:

- by completing a Voluntary Disclosure (IR281) form
- by contacting IRD via phone, letter, fax or email
- by visiting an Inland Revenue office
- during an interview with IRD.

The benefit of a voluntary disclosure is that you may be able to reduce the potential penalties you would eventually have to face. You may also mitigate the risk of being prosecuted in Court. If you do not declare past income and the Inland Revenue find out about this during an audit, it is likely that there will be substantial late payment penalties, shortfall penalties, and possible prosecution.

For any advice, suggestions, or queries on the points raised above, feel free to contact us on (03) 307 6455.



BUSINESS UPDATE

We are pleased to welcome René Artz as our Business Development Manager. He has worked as a New Zealand Trade & Enterprise Regional Business Partner in Mid Canterbury and Selwyn and continues to lead Business Mid Canterbury as Executive Manager.

René has a passion for business advisory work. With a successful history in economic development, fund management and banking René has developed an extensive commercial background that is complimented by post graduate qualification in commerce and property, both from Lincoln University.

René is President of Ashburton Toastmasters. He enjoys a range of outdoor pursuits, from chasing Rakaia salmon to hiking in the Southern Alps with his wife Lauretta and their 3 young children.

To contact Rene, feel free to call the office on (03) 307 6455.