



# Reducing year-end processing time and saving clients' money

CA ANZ exclusive webinar

Hamish MacDonald and Josh de Jong



## Your presenters today



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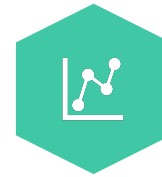
# How to come out of 31 March looking like a rockstar with your sanity intact – a beginners guide



A strong commitment to **social justice** sits at the heart of everything Tax Traders does. We desire to see people flourish and grow – our clients, our team, our communities. This deeply affects the way we invest in relationships and innovation.



## This webinar



PICTURE OF THE MARKET



FINALISING YEAR END  
IN MINUTES



COMMON PITFALLS TO  
AVOID

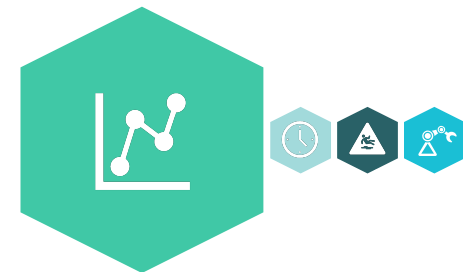


PRO-ACTIVE  
TAX POOLING



Let's go!

Let's go!



PICTURE OF THE MARKET





**\$98B**

Core Crown  
tax revenue



**\$98B**

Core Crown  
tax revenue



**25%**

Provisional tax



**\$98B**

Core Crown  
tax revenue



**25%**

Provisional tax



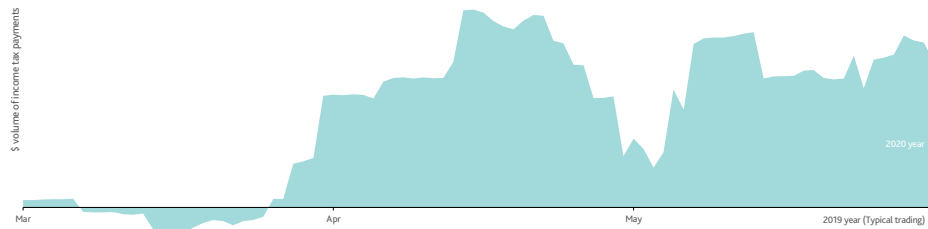
**350k**

Provisional  
taxpayers

### Increase in the use of pooling – Mar/May

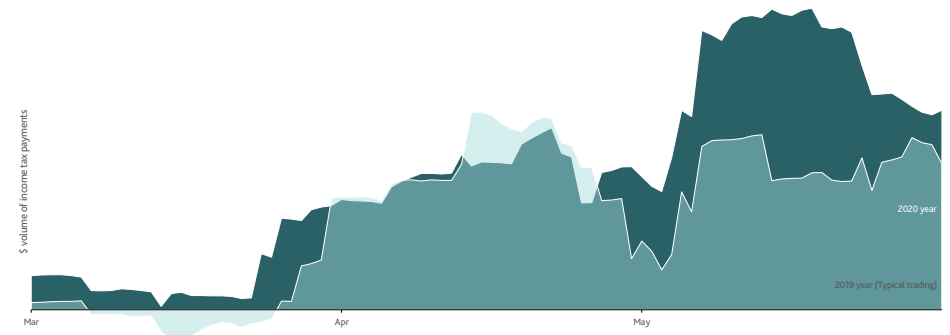


## Increase in the use of pooling – Mar/May - 2020



**TAX**  
TRADERS

## Increase in the use of pooling – Mar/May - 2021



**TAX**  
TRADERS

## Why are **so many** agents using pooling?



- It saves your clients' money – avoiding penalties and reducing interest
- It provides flexibility to your clients
- Clients can pay their tax when it suits their cashflow
- It provides an easy working capital facility if required
- With Tax Traders - reduce your time on processing client transactions

PS You're seen as the hero to your clients

**TAX**  
TRADERS



**TAX**  
TRADERS





## The 2021 INC end of year to do list:

- ✓ What does your client need to pay?
- ✓ Has your client paid what they need to?
- ✓ Have they paid it at the right date and on time?
- ✓ Have we got the provisional method right?

If yes, you have the dream client and if not...

**Tax Traders can help.**



## Missing or late 2021 tax? **Fix it in minutes**

- Buys are the best targeted solution if you have already calculated your client's shortfall
- Useful if your client just needs a top-up at P3
- Includes a range of flexible payment options



## Is this the best use of your time?



## RIT Tool

### Use our RIT tool to automatically:

- › Apply uplift rules based on filing dates and the “lesser of” test to calculate provisional instalments due
- › Apply existing tax payments (at IR and in a pool) efficiently
- › Purchase any shortfall / sell any excess tax



## RIT Tool

### Have peace of mind

- › Calibrated against Inland Revenue on a regular basis
- › Up to date with latest Inland Revenue interpretations
- › We guarantee the outcome
- › Still includes flexible payment options



## Even better

### Click. Tax. Done.

- › Shows ALL payments made by your clients
- › Including all payments at Inland Revenue AND at Tax Traders
- › Reduces errors made by transposition
- › Reduces time even further



COMBINED TAXPAYER POSITION (INCLUDES IRD DATA)				
Tax Year	Provisional Method	Terminal Tax Date	RIT Amount (filed return)	Include Other Deposits
2021 Tax Year	Standard	7 April (Extension)	\$120,000.00	<input type="checkbox"/> Deposits made prior to tax period <input type="checkbox"/> Deposits made after tax period
Tax Date	Description	Tax to Pay	Payment/(Withdrawal)	Net Position
28/08/2020	IRD: Credit - Payment	-	\$18,333.00	\$18,333.00
28/08/2020	Tax to Pay: P1 - Assessment, Return filed	(\$18,333.00)	-	-
28/11/2020	IRD: Transfer In - Goods and Service Tax Account (GST)	-	\$10,000.00	\$10,000.00
14/01/2021	Tax Traders: Balance - Deposit	-	\$8,333.00	\$18,333.00
15/01/2021	Tax to Pay: P2 - Assessment, Return filed	(\$18,333.00)	-	-
07/05/2021	Tax Traders: Balance - Deposit	-	\$53,334.00	\$53,334.00
07/05/2021	Tax to Pay: P3 - Assessment, Return filed	(\$83,334.00)	-	(\$30,000.00)
Total 2021 Tax Year Tax Payments		(\$120,000.00)	\$90,000.00	(\$30,000.00)
2021 IRD Statement Balance				(\$93,568.40)
<div><a href="#">VIEW ALL</a> <a href="#">EXPORT OPTIONS</a> <a href="#">CREATE PAYMENT PLAN</a></div>				

## Getting your Tax Traders accounts set up

- › Tax Traders can perform a bulk upload of your clients to our portal
- › Via MyIR, access the Intermediary Centre
- › Download your client list with EOT status and provisional tax method and connect to Tax Traders



## But wait there's more....

- › Upcoming settlements report
- › Associated taxpayers
- › Automatic issue pre-screening
- › Cut off reports to help you meet all deadlines



## We're here for you

- › Support via phone 0800829872 and email [team@taxtraders.co.nz](mailto:team@taxtraders.co.nz)
- › Coaching on the tools OR help doing the transactions in real time, with little to no waiting.
- › Our online Knowledge Base
- › Follow up calls from our Relationship Team to remind you of any funds remaining in the pool.





## AVOIDING COMMON PITFALLS



## Common pitfalls to avoid

- > Unfiled returns
- > Missing a cut off date
- > Excess funds at Inland Revenue

**Remember:** It's not too late to get this sorted, make things right and save your clients money while making yourself look good



## Cut off dates

Balance Date	Terminal (No Extension)	Tax Pooling Cut Off	Terminal (With Extension)	Tax Pooling Cut Off
October	7 Sep	21 Nov	7 Nov	21 Jan
November	7 Oct	21 Dec	7 Dec	20 Feb
December	7 Nov	21 Jan	15 Jan	31 Mar
January	7 Dec	20 Feb	7 Feb	23 Apr
February	15 Jan	31 Mar	7 Mar	21 May
March	7 Feb	23 Apr	7 Apr	21 Jun
April	7 Feb	23 Apr	7 Apr	21 Jun
May	7 Feb	23 Apr	7 Apr	21 Jun
June	7 Feb	23 Apr	7 Apr	21 Jun
July	7 Feb	23 Apr	7 Apr	21 Jun
August	7 Feb	23 Apr	7 Apr	21 Jun
September	7 Feb	23 Apr	7 Apr	21 Jun



## Cut off dates

- > We can take payments up to a few days ahead of those cut off dates and may be able to help right up to the cut off day if you give us a call.





**TAX TRADERS**



**TAX TRADERS**

## Traditional tax pooling

- › Buy tax after the event
- › Separate data
- › Manual calculations and deciphering IRD statements
- › Limited payment options

☒ Significant time per transaction  
Recommended to fewer clients

## Proactive tax pooling

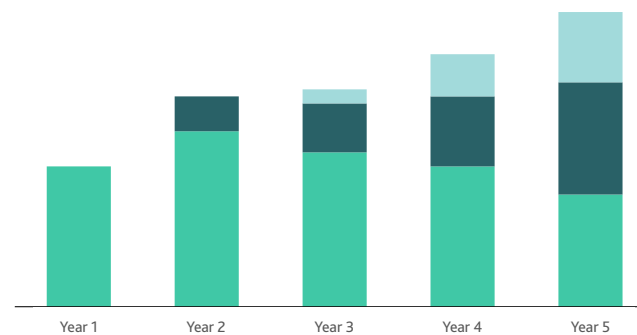
- › **Deposit** and financing built into workflow
- › Integrated IRD data
- › Smart tools and calculators
- › Fully customised solutions

☒ Minimal time per transaction  
Better results for more taxpayers

**TAX TRADERS**

## Typical progression of a firm

■ Deposit  
■ Finance  
■ Buy



**TAX TRADERS**

## You've got options at tax time

- **Need cash?** = Delay the payment by financing  
= Track in "available balances" report
- **Plenty of cash?** = Retain flexibility by depositing  
= Downloadable deposit notice available

### Payment options

#### PAY NOW

Pay the full amount by 15 January 2022 by depositing into the Tax Traders tax pool using the following details:

Account Name	Public Trust Tax Traders Deposit
Account Number	02-0506-0264679-000
Particulars	003-004-005
Code	TT-CA1BD0
Amount Payable	\$10,000.00 (due 15 January 2022)

#### PAY LATER

Pay \$83.81 (finance fee) by 12 January 2022 at a pre-approved rate of 2.97% and \$10,000.00 on 28 April 2022.

Account Name	Public Trust Tax Traders Finance
Account Number	02-0506-0264679-002
Particulars	003-004-005
Code	TT-CA1BD0
Amount Payable	\$83.81 (due 12 January 2022)

Making a payment using the details above will automatically open a Tax Traders account if you do not have one already.



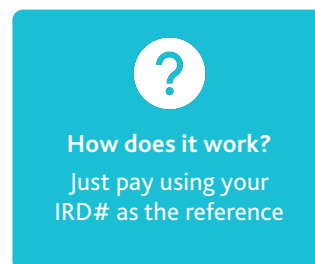
## Why finance?

- Structure: Pay interest up front and core tax later
- Inland Revenue's payment dates don't suit everyone all the time
  - Hold cash during an uncertain period
  - Take advantage of an opportunity
- Access cash at lower rates than buying and borrowing rates
- Can be paid by instalment
- Get your full interest back if not required (complimentary during COVID)



## Why deposit?

- Pay tax into the pool rather than IRD
- Creates options:
  - Access cash – refundable
  - Optimise year end tax position
  - No need to file an estimate
  - Easy to restore safe-harbour
- Benefits for groups
- Earn premium interest on surplus tax



DATE: 09/05/2022

### DEPOSIT INSTRUCTIONS

DEPOSIT NOTICE: [REDACTED]

DATE: 09/05/2022

We've changed banks to BNZ. Please use our new bank account details below. [Find out more.](#)

Taxpayer Name:  
IRD Number:

#### PAYMENT DETAILS

Amount to Deposit: \$10,000.00 due on 09/05/2022  
Reference Required  
Account Name: Public Trust Tax Traders Deposit  
Account Number: 02-0506-0264679-000 - **NEW bank account number.**  
Swift Code (if required): BKNZ222

If you would like to contact Public Trust to verify these account details or to discuss the custodial services they provide to Tax Traders Limited please use the contact details below:

Operations Team

Corporate Trustee Services



## Using the pool as your tax account with IR data integration

- ▶ Pay your way – pay Tax Traders' pool what you want when you want at a frequency that suits you
- ▶ One simple view with our Combined Taxpayer Position
- ▶ File return
- ▶ Convert to what IR wants with a single click



COMBINED FINANCIAL POSITION (INCLUDES BUDGET)					
Year	Year	Predefined Detail	Normal Tax Rate	Net Asset (Shell value)	Includes Other Deprecy
2021 Tax Year	Standard	7 April (optional)		\$343,000.00	Deprecy made prior to tax period Deprecy made after tax period
Year	Description	Tax to Pay	Payment (2021) (optional)	Net Position	
28/03/2020	Tax Transfer Balance - Deposit		\$0.00	\$0.00	
28/03/2020	Tax Transfer Balance - Deposit		\$0.00	\$0.00	
28/03/2020	Tax to Pay FY - Assessment, Return Filed	(\$10,000.00)		(\$10,000.00)	
28/03/2020	Tax Transfer Balance - Deposit		\$10.00	\$10.00	
28/03/2020	Tax Transfer Balance - Deposit		\$10.00	\$10.00	
28/03/2020	Tax Transfer Balance - Deposit		\$4,000.00	\$10,000.00	
01/01/2021	Tax Transfer Balance - Deposit		\$2,000.00	\$14,000.00	
01/01/2021	Tax to Pay FY - Assessment, Return Filed	(\$10,000.00)		\$2,000.00	
01/01/2021	Tax Transfer Balance - Deposit		\$10,000.00	\$12,000.00	
01/01/2021	Tax Transfer Balance - Deposit		\$2,000.00	\$14,000.00	
01/01/2021	Tax Transfer Balance - Deposit		\$10,000.00	\$10,000.00	
01/01/2021	Tax to Pay FY - Assessment, Return Filed	(\$10,000.00)		\$0.00	
28/03/2021	Tax Transfer Balance - Deposit		\$2,750.00	\$275.00	
Total 2021 Tax Year Tax Payments				(\$26,750.00)	
2021 Net Statement Balance					(\$26,750.00)



## New to Tax Traders

- Haven't worked with Tax Traders and want to give us a try?
- We make it easy:
  - Set up an account online
  - Call us and quote unique code CA032022 for a special introductory offer
  - We'll activate your Tax Traders account for you
- Video tutorial content available through Knowledge Base
- Specialist phone and email support team



## Recap

- › Finish the year well for yourself and your clients with Tax Traders
- › Get access to the best tools and solutions in the business as a TTA
- › Shift to a proactive approach for 2022 and beyond
- › New to Tax Trader's mention this code CA032022 for a special introductory offer
- › We'd love to work with you

**Got questions, want a demo, interested in TTA?**

E. [team@taxtraders.co.nz](mailto:team@taxtraders.co.nz)

**P. 0800 TAX TRADERS (0800 829 872)**





# Questions?



## Let's work together.

[josh.dejong@taxtraders.co.nz](mailto:josh.dejong@taxtraders.co.nz) or PHONE  
[hamish.macdonald@taxtraders.co.nz](mailto:hamish.macdonald@taxtraders.co.nz) or PHONE



A strong commitment to social justice sits at the heart of everything Tax Traders does. We desire to see people flourish and grow – our clients, our team, our communities. This deeply affects the way we invest in relationships and innovation.







## This webinar



## Tax Traders Advantage

### An exclusive partnership for exclusive benefits:

- > Discounted rates to save your clients money
- > First in market access to IRD data connected tools
- > Priority service, special events and helpful resources

Ultimately it's about saving time and money.

Once signed up, we'll walk you through how to upload clients into the system and setting them up with the IRD feed

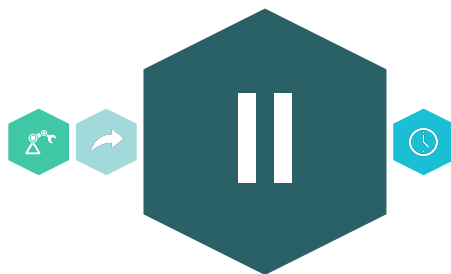


## Do you have clients with funds in the pool?

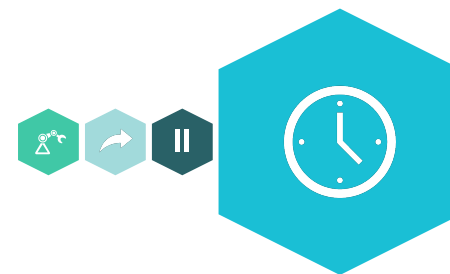
- > Is there enough?
- > Buys
- > When are they needed?
- > Swaps

## Does someone else need them?

- > Other taxpayers (associates)
- > Too much, sales and swap forwards to 2022
- > The RIT calculator
- > IRD feed gold tier



DELAY AN UPCOMING  
PAYMENT: FINANCE



RETAIN FLEXIBILITY:  
DEPOSIT



## A question

