



FOR ACCOUNTING FIRMS' NEWSLETTERS • JUNE 2019

## Provisional tax payment coming up? Ease cashflow by delaying payment until it suits you.

Financing your tax is a valuable option when cashflow is tight. It's particularly helpful in industries where income is seasonal, allowing cashflow to be managed more effectively throughout the tax year.

It's easy to set up, no security or financial disclosures are required. Rates are typically under 4.5% and your acceptance is guaranteed.

How does it work? Simply pay the interest up front and then pay your provisional tax at a maturity date you select up to 12 months later, or longer in some cases. The provisional tax is held for you in a Public Trust account at Inland Revenue (IR) and is transferred to your IR account at maturity, once the provisional tax is paid.

If you no longer need all the tax at the maturity date, there's no break fee. And you only have to pay for what you need. If you want to repay early or pay by instalment you can do that too.

We use Tax Traders – New Zealand's most progressive tax pool – as the facilitator. They are an Inland Revenue-approved tax pooling intermediary and partner with us to help you access the greatest value.

### Key benefits

- Reduce IR interest costs and eliminate late payment penalty charges
- Retain working capital in your business
- Less expensive than buying tax
- Guaranteed availability of tax credits
- Only pay the principal amount that you need
- Pay the amount at maturity or by instalment
- No need for financial disclosure
- No establishment fees or charges
- No security required

**Talk to us today about much you can save.**