



Welcome to our latest JDW newsletter. In this edition, we talk about auditing not-for-profits or charities. For new contractors, we introduce GST and WHT. We also give you some quick employment updates and tax tidbits.

Not for Profits: Do they need an Audit?

Many of our business owner clients also sit on Boards of Not-For-Profits (NFP) and often this question comes up. Do they need to get their NFP annual reports audited or reviewed? If so what does it involve? We have put together a handy guide from our JDW Audit team.

[Read our article here.](#)



Employment Update Fair Pay Agreement

The Government has announced a proposed framework for industry-wide Fair Pay Agreements, setting minimum terms and conditions for each industry.

While the initial proposal doesn't include contractors, it has been suggested that they will be brought into the framework too, as a means of protecting workers in the rising Gig economy.

Increased Sick Leave

From 24 July 2021, sick leave entitlements on new contracts will increase to 10 days per year. Employees will get the extra five days when they reach their next entitlement date – either after reaching 6 months' employment or on their sick leave entitlement anniversary (12 months after they were last entitled to sick leave). Employees who already get 10 or more sick days a year will not be affected by this change. The maximum amount of unused sick leave that an employee can be entitled to will remain 20 days.



New to Contracting or Freelancing?

Would you like to learn more about charging GST and whether you should have withholding tax (WHT) deducted? [Read more here.](#)

Tiny Tax Tidbits

Vehicle reimbursement rates

2020/2021 kilometre rate has dropped to 79c for Tier 1, down from 82c.

Wage subsidy in MyIR

If you received a subsidy directly from WINZ, it will be included automatically in your IR3 tax return. If you had PAYE deducted from your wage subsidy, then you do not need to disclose it separately from other PAYE income.

Interest deductibility for residential rental

A huge consultation document has been released for feedback. More to come.

Purchase price allocation

From 1 July, buyers and sellers have to agree the allocation of the price of mixed assets like commercial property or businesses, to ensure they are treated the same for tax.

Resurgence Support Payment

The RSP was activated for Wellington, Wairarapa and Kapiti regions on 29 June 2021, to support businesses affected by the increase in Covid-19 Alert Levels.

R&D Tax Incentive extension

IRD agreed to extend the application due date to 31 August 2021, to give businesses more time to consider their eligibility for the Research and Development Tax Incentive (RDTI) scheme.

JDW News

Kay Robinson returned to JDW part-time this month, after her baby daughter started daycare. Welcome back!

Our practice was recently reviewed by Chartered Accountants ANZ as part of its regular review cycle. This assists us to maintain high quality standards in our assurance and business services. We received minor recommendations for improvement, and warm praise for the quality of our workpaper checklists.

We'd like to bring you our newsletter more frequently and we welcome suggestions from you, our clients. Do you have a business story that you'd like to share, an event, product or service that could help our other clients? Would you like more knowledge about accounting or tax? Please send your suggestions to serenai@jdw.co.nz