



McGregor Bailey

CHARTERED ACCOUNTANTS
Member of Kreston International
A Global network of Independent Accounting Firms

BOTTOM LINE

February • 2019 | Issue • 014

OUR NEWSLETTER FOR GROWING BUSINESSES



You could be selling the most innovative product on the market, using slick systems and the hottest marketing campaign in town, but if you don't have good people - good luck!

People are everything in business. That's why it's so important to know your employer responsibilities and how to manage the employment process to ensure high productivity, a solid reputation, and attract and retain staff that love their work. This month, find out what you need to do regarding domestic violence leave, payday filing and get HR tips to keep you and your staff smiling.

Heard about the new domestic violence – Victims' Protection Bill?

pg. 2

It's time to gear up for payday filing

pg. 3

Payroll pain relievers

pg. 3

Hiring? Look for traits not talent

pg. 4

Business Health Check

pg. 4

Key tax dates

pg. 4

CONTACT OUR TEAM

Website: <http://www.mcgregorbailey.co.nz>

Phone: +64 9 378 8388



McGregor Bailey

CHARTERED ACCOUNTANTS
Member of Kreston International
A Global network of Independent Accounting Firms



Heard about the new Domestic Violence - Victims' Protection Bill?

Here's what it means for you.

Imagine trying to work while juggling court, counselling, and your family's needs following a domestic violence incident. This is the situation for thousands of Kiwis, but it's set to improve with the new *Domestic Violence - Victims' Protection Bill* coming into effect on 1 April. The law enables people affected by family violence to apply for specific leave and flexible working arrangements to help them keep their jobs during a challenging time.

What does this mean for you?

Local companies such as Countdown, The Warehouse and ANZ already offer domestic violence leave - and it's time for the rest of the country to follow suit. As an employer, you need to be aware of what leave and flexible working arrangements victims of domestic abuse are entitled to, what you have to do, and how to support your staff.

10 days' domestic violence leave

Employees will be able to apply for up to 10 days' domestic violence leave per year to deal with the effects of domestic violence, such as court appearances, doctor visits and looking after children.

- Employees need six months' continuous employment to be entitled to this leave and entitlement does not accrue from year to year.
- Staff don't need to provide proof they have been affected by domestic violence, but employers can ask for proof before agreeing to the request.
- If an employee fails, without reasonable excuse, to provide proof, their employer isn't required to pay for any domestic violence leave.

More flexibility at work

To support staff affected by family violence, you are required to provide flexible working conditions, such as changes to:

- The location of their workplace
- Their duties at work
- The extent of contact details the employee must provide to their employer
- Any other term of employment that needs variation to enable the employee to deal with the effects of domestic violence.

Stay open-minded and make a plan

Now's the time to think about how you'll approach requests for domestic violence leave. It's a good idea to put together a practical plan to ensure you respect and protect your staff members' privacy throughout the process. Keep in mind you could get requests for leave for a range of reasons including physical, sexual and psychological abuse, harassment, threats, intimidation and financial abuse. If you need help putting together a plan, please call us.

#FACT

New Zealand police respond to 270 domestic violence incidents every day and it's estimated that's only the tip of the iceberg - with 80% of incidents going unreported.

#FACT

Did you know domestic violence already costs New Zealand workplaces at least \$368 million a year due to higher turnover and lost productivity? Addressing the problem directly will be better for business and victims of domestic abuse.



It's time to gear up for payday filing

Hundreds of Kiwi business owners are enjoying the benefits of payday filing - are you? If not, you'll need to be by 1 April when payday filing becomes compulsory. Now's the time to work out how you're going to integrate it into your payroll processes and save time on your tax obligations.

Payday filing means you need to:

- File employment information every payday instead of an Employer monthly schedule (IR348).
- Provide new and departing employees' address information, as well as their date of birth - if they have provided it to you.
- File electronically (from payday compatible software or through myIR) if your annual PAYE/ESCT is \$50,000 or more.

Remember, the due date for payment remains the same at the 20th of the month (or 5th and 20th of the month for twice-monthly filers).

How do I payday file?

There are three ways to file electronically - direct from payroll software, file upload from myIR or onscreen via myIR.

How do I shift over to payday filing?

1. Review your payroll processes and plan and schedule when to shift.
2. Ask your software provider when they'll have payday filing compatible software (Xero and MYOB already do).
3. If you're using myIR to file, let the IRD know you're switching to payday filing in myIR.

Need to know how payday filing works for schedular payments, shadow payrolls, employee share schemes and holiday pays? Let us know and we'll talk you through it.

Payroll Pain Relievers

With New Zealand ranking as one of the most complex payroll environments in the world, it's no wonder many Kiwi employers choose to offload payroll headaches to bookkeepers, accountants, or payroll intermediaries. This trend is picking up steam: with Inland Revenue's "Payday Filing" scheme kicking off 1 April 2019, instead of reporting PAYE to Inland Revenue on the 20th of the following, you'll need to report every payday (though some employers may have different situations and can choose otherwise).*

The bad news? With anti-money laundering rules in effect, even getting someone else to do your payroll is about to get more complicated.

If we're handling your payments to staff or Inland Revenue, we might need to get more information about your business and identity.

If you've got someone else handling these payments, like a bookkeeper or a payroll service provider, they might need to do the same thing. If you can't get into the office to meet with them, this might include tasks like getting a copy of your driver's licence certified by a JP or lawyer. Good fun.

Now the good news! Certain PAYE Intermediaries, like PaySauce, are exempt from the AML obligations. They (and others like them) won't need to badger you for identity verification or more info about your business. PaySauce is also the first payroll intermediary up and running with Payday Filing. (Note that some intermediaries are not exempt - it's important to check).

If you'd like us (or whoever helps you with your payroll) to take care of payroll calculations so you don't need to spend time becoming a holiday pay guru, we could migrate you onto a platform like PaySauce for the best of both worlds - Payday Filing and AML payroll headaches sorted.

* **[IR Payday Filing - What You Need to Know | Knowledge | PaySauce]** (<https://www.paysauce.com/knowledge/ird-payday-filing/>)



PASSION LED US HERE



Business Health Check

Six ways to 'do good' by your staff

- Celebrate! Write down one thing you'll do in the next six months to reward your team.
- Book in staff performance meetings now because setting and revisiting KPIs ensures everyone's on track.
- Lock in 30-minutes to revisit your strategic plan this month. List three things you can do as a team to stay competitive and grow your business.
- Write the steps you'll take when processing an application for domestic violence leave before 1 April. Not sure where to start? Call us.
- Need new staff or promoting someone? Make sure job descriptions accurately reflect staff positions to avoid confusion and misunderstandings.
- Inspire employees by offering professional development training in 2019 - a great way to grow your people and your business!

Hiring? Look for traits not talent

Soft skills are the personal qualities that make people easy to work with and they're key for business success. Here are six important soft skills and the best open-ended interview questions you can ask to help find out whether a candidate is right for your business.

Communication	Give me an example of when you had to deal with a difficult team member. What did you do to communicate properly?
Adaptability	Tell me about a time when you were asked to do something for the first time. How did you react? What did you learn?
Culture fit	What three things are most important to you in a job?
Collaboration	Tell me about a time when you had to work with someone who was difficult to get along with. How did you handle interactions with them?
Time management	Describe a time you fell behind schedule. What went wrong and what would you do differently next time?

KEY TAX DATES - FEBRUARY 2019

Date	Category	Description
5 February	PAYE	Large employers payment Large employers returns for those who have not yet opted in to payday filing
20 February	RWT	RWT return and payment due for deductions from dividends and deductions of \$500 or more from interest paid during January
20 February	PAYE	Payment for small employers for January, and large employers for February Returns for small employers for January, and large employers for February who have not yet opted in to payday filing
20 February	N-RWT / Approved Issuer Levy	Payment and return for January
28 February	GST	Return and payment for January

Disclaimer: This publication has been carefully prepared, but it has been written in general terms only. The publication should not be relied upon to provide specific information without also obtaining appropriate professional advice after detailed examination of your particular situation.