

**Newsletter**  
**March 2026**

**a&t**  
ACCOUNTING &  
TAX STUDIO LTD



We hope you and your family have had an enjoyable summer. We have enjoyed seeing you throughout the year and look forward to seeing you again soon.

We can see business confidence is starting to improve. We hope everyone has a successful year.

### **NEW FINANCIAL YEAR**

The end of another financial year is upon almost upon us. We are currently completing the final few 2025 tax returns before the end of March 2026 deadline.

We will be posting out hard copies of the 2026 Questionnaires. The online portal at Xero is not available this year. Please send us any information electronically. Please call the office if you have any questions.

If you need any extra Questionnaire forms, please see our full list on our website [www.atstudio.co.nz](http://www.atstudio.co.nz) and select "guides, information and end of year questionnaires' tab. Or alternatively email our lovely Julie for personalised versions.

If you have any changes, please contact us to discuss what is require going forward.

## **CHANGES IN THE 2027 FINANCIAL YEAR**

### **KiwiSaver Changes**

From 1<sup>st</sup> April 2026:

- The minimum KiwiSaver rate currently of 3% for both employee and employer contributions will be increasing 3.5%.
- Each year the government contributes extra into everyone's KiwiSaver scheme. The amount is decreasing from \$521.43 to \$260.72 per year. If you earn \$180,000 or over, no government contribution will be paid into your scheme.
- Currently employers of employees aged 16 and 17 are not required to pay employer KiwiSaver. From 1<sup>st</sup> April 2026 if your employee is contributing to KiwiSaver, the employer is now required to pay too.

### **Debt Collection**

IRD debt repayment has become a focus this year. If you have an overdue debt or are unable to pay IRD on time, please consider arranging a formal repayment plan to keep any extra fees as low as possible.

### **Overdrawn Shareholder account deemed dividend**

If you operate your business through a company and have an overdrawn shareholder current account, there are new IRD monitoring rules for the 2026 tax returns going forward.

This applies if the overdrawn balance is \$50,000 and the balance becomes more overdrawn from 4<sup>th</sup> December 2025 because more drawings are taken from the company bank account.

A deemed dividend needs to be paid and full tax paid. This will mean you will pay double tax on the money taken.

We believe it would be cheaper if an actual dividend is declared before 31<sup>st</sup> March (each year), so 28% company tax can be attached to avoid the double tax situation. If you are aware of this applying to you, please contact the team today to discuss.

### **Students with Student Loans going on OEs**

If you have a family member going on their OE and they have a student loan, please ensure they apply to IRD for a 'temporary payment suspension' before they leave the country. If not, then IRD requires a minimum of \$5,000 to be repaid each year regardless of whether any income being earned.

### **Changes to your Trustee Tax Status**

Please let us know if your trustees are migrating overseas. This may add to your trust complexity and could lead to extra tax being payable.

### **Fringe Benefit Tax (FBT) Changes**

FBT applies to non-cash benefits provided to employees and directors/shareholders. FBT tax returns need to be declared and paid to IRD on an annual or quarterly basis.

The common ones we see are the use of a company-owned motor vehicle and health insurance premiums paid. If you provide an open-ended gift card to an employee, such as Prezy cards, these will also be caught under FBT rules too.

A recent IRD consultation proposes changes to FBT for motor vehicles. They are proposing removing the work-related exemption so more vehicles could be caught into the FBT scheme in the future.

Please let us know if you would like to discuss this further with us.

### **Investment Boost for Businesses**

If you purchased a fixed asset from 22<sup>nd</sup> May 2025 which is a new (not used) assets into New Zealand, then you are entitled to extra depreciation in the first year of ownership. The extra depreciation is 20% of the net of GST purchase price. This extra cost is released into the Profit & Loss and can help pay less tax. The remaining value of the asset will be depreciated as normal. Please note, when the asset is sold in the future and if the asset is being sold at a higher value based on the depreciated value, then extra profit may occur and future tax may be payable.

### **Please ensure you let us know if you have the following:**

- Crypto Investments and/or International (Overseas) income
- Any changes to your country of residence residency
- Any new property changes

## IRD's CURRENT 2025 MILEAGE RATES

As a reminder the current rates are still at IRD's 2025 levels of:

Vehicle type	Tier 1 rate per km	Tier 2 rate per km
Petrol	\$1.17 cents	37 cents
Diesel	\$1.26 cents	35 cents
Petrol hybrid	86 cents	21 cents
Electric	\$1.08 cents	19 cents

## UPCOMING TAX PAYMENT DATES

- 2025 FINAL TERMINAL TAX date: 7<sup>th</sup> April 2026
- PROVISIONAL TAX (standard payers only):
  - o Final 2026 Provisional Tax payment date: 7<sup>th</sup> May 2026
  - o First 2027 Provisional Tax payment date: 28<sup>th</sup> August 2026
- GST:
  - o Feb/March 2026 GST payment date: 7<sup>th</sup> May 2026
  - o April/May 2026 GST payment date: 28<sup>th</sup> June 2026

Accounting & Tax Studio Ltd

1/721 High Street, Boulcott, Lower Hutt 5010

Ph: 04 5677263 W: [www.atstudio.co.nz](http://www.atstudio.co.nz) E: [Sally@atstudio.co.nz](mailto:Sally@atstudio.co.nz)

THE INFORMATION CONTAINED IN THIS NEWSLETTER IS OF A GENERAL NATURE AND IS NOT INTENDED TO BE PERSONALISED FINANCIAL ADVICE. BEFORE MAKING ANY FINANCIAL DECISIONS, YOU SHOULD CONSULT US FOR PROFESSIONAL ADVICE.