



NEWSLETTER DECEMBER 2025

PROFESSIONAL TRUST. PERSONAL TOUCH.

How To Survive the Christmas Cash Flow Crunch

Cash flow can be very tight around this time of the year

While retailers race through their busiest time of year, not every business benefits from the Christmas rush.

Many service-based, wholesale, or manufacturing businesses might even face a sharp decline in orders just when holiday pay, bonuses, and annual shutdowns see expenses rise.

Forecast to February

Projecting your income and expenses well into the new year helps you spot potential shortfalls and take action before they become problems.

Invoice early, follow up now

Send invoices before your shutdown period and chase outstanding debts while clients are still around.

Prioritise essential spending

Identify what expenses are necessary and what can wait until revenue picks back up.

Prepare for January's tax obligations

The 15 January due dates for PAYE, GST, and provisional tax can feel like a Grinchy surprise. Set aside funds now to avoid starting the new year under pressure.

Worried about the summer squeeze?

If this season feels tight, get in touch. We can help you plan ahead, manage your cash flow, and explore IRD instalment options to lighten the load.

Upcoming Tax Dates

22 December 2025

November PAYE payments due

15 January 2026

GST return & payment due for Period ending 30 November 2025

15 January 2026

Provisional Tax payments due

20 January 2026

December PAYE payments due

28 January 2026

GST return & payment due for Period ending 31 December 2025

Christmas Closedown

Our office will close at 5pm on
Monday 22nd December 2025,
and will re-open at 8am on
Wednesday 14th January 2026.

From everyone at Venter & Hull, we wish
you and your families a safe and happy
Christmas season and look forward to
seeing you in the New Year.



The New Employment Leave Act

Brooke Van Velden, Minister for Workplace Relations and Safety, has announced a new act replacing the complex Holidays Act 2003 - the Employment Leave Act.

The aim is to simplify how leave is calculated and managed and provide a robust fair system for all far more fit for purpose than the current Holidays Act 2003. The new approach will be that regardless of employment status employees will have access to all leave types from the first day of employment, not having to wait 6 or 12 months as is current.

Leave Entitlements

Annual and sick leave will accrue on an hourly basis. Annual leave will accrue at the rate of 0.0769 per hour worked and sick leave at 0.0385. These ratios work out to be the equivalent to 4 weeks and 10 days respectively for a full-time worker. Sick leave will accumulate up to a maximum of 160 hours which is the same as the current concept of 20 days and can be taken in hours when needed. Bereavement and Family Violence Leave again, accrues from day 1 as above but on a daily basis and may be taken in part days.

Employees will also be able to request to be paid out up to 25% of their annual leave every 12 months rather than being limited to '1 week'. This sort of solution will address common pitfalls in the current regime such as staff changing working patterns for example going from full-time to part-time or the converse, get to keep the hours of leave they have previously accrued. This being a major challenge for the current system whereby a change in an employee's ordinary working week can slash their entitlement in certain circumstances.

Public Holidays will remain that they are paid if it is an Otherwise Working Day (OWD) for an employee, but a new test for an OWD aims to remove any argument about whether it is an OWD for the employee or not. If the employee has worked at least 50% of the corresponding days of the week over a relevant period. Alternative holidays (working on an OWD) will be accrued on an hour for hour basis and can be taken or cashed out at any point (as opposed to having to wait 12 months).

Leave Compensation Payment (LCP)

A new concept in the coming Bill is Leave Compensation Payments (LCP) and will be for casual workers or waged employees who work more hours than their contracted hours. Instead of accruing leave at the rates above, these hours will be paid out at an additional 12.5% on the agreed rate in compensation for annual leave and sick leave.

Mandatory Pay Statements

Employers will be required to provide staff with detailed payslips including earnings and leave entitlements each pay cycle. Currently not a requirement under the Holidays Act 2003.

Timeframe: At this stage, the Government is aiming to have the new Bill drafted by early 2026 and passed before the next election (Dec 2026).

‘Tis the Season for Giving – but what can you claim?

Gifts, bonuses, parties, and more: here's a brief breakdown of what you can and can't claim this festive season.

Employee gifts - Gifts that are not subject to the entertainment tax rules (vouchers, hampers, flowers) are fully deductible and exempt from Fringe Benefit Tax (FBT) if they cost less than \$300 per employee per quarter, and the total for all staff stays below \$22,500 a year.

However, gifts that do fall under the entertainment tax rules, like food hampers or wine, or taking your team to a show or event, are 50% deductible, and not liable for FBT.

Cash bonuses - Bonuses are classed as income, so PAYE and other payroll taxes apply. These “lump sum” payments are taxed at a flat rate based on your employee's income bracket.

Client gifts - Food, drink, or entertainment gifts are 50% deductible. Other gifts (flowers, movie tickets, a book) are 100% deductible

Workplace events - Christmas parties, client dinners, or team drinks are 50% deductible, while morning teas, office lunches, and charitable donations are fully deductible.

Important: This is not advice. Clients should not act solely on the basis of the material contained in the Client Newsletter. Items herein are general comments only and do not constitute or convey advice per se. Changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting in any of the areas. The Client Newsletter is issued as a helpful guide to clients and for their private information.