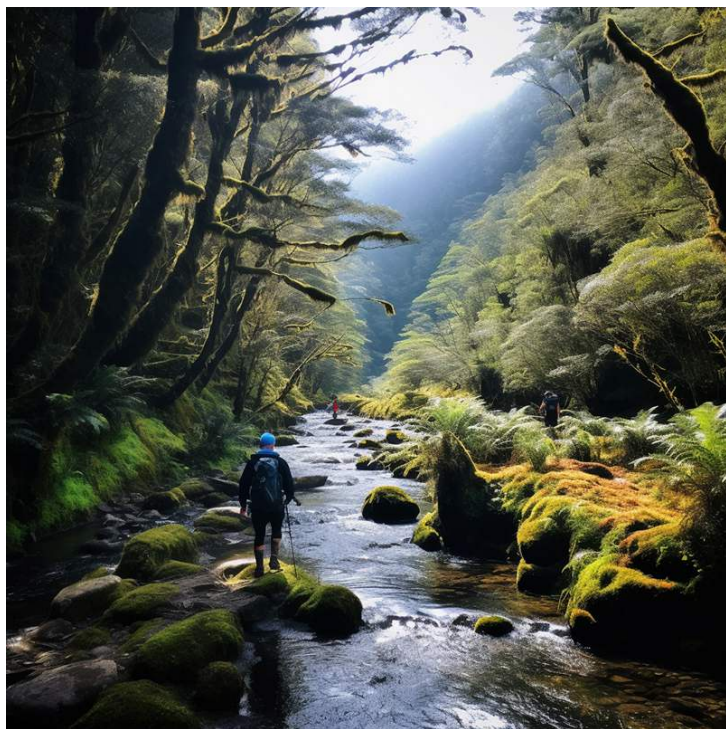




WINTER 2026

NZ BUDGET – KEY HIGHLIGHTS

FOREIGN INVESTMENT TAX CHANGES

This key change represents a significant shift in the foreign investment funds (FIF) regime, increasing the threshold from \$50,000 to \$100,000. At present the FIF regime applies to any overseas shares or funds where the cost of the amount invested exceeds \$50,000 in the tax year. Tax is often paid on 5 per cent of the value. The FIF regime is a response to the fact that New Zealand's share market is dividend heavy compared to international counterparts. Dividends here are taxed but capital gains are not and the FIF regime is an alternative way to apply tax to the growth in value of shares.

SIMPLIFIED FBT ON VEHICLES

The Government proposes to simplify the application of FBT to motor vehicles by removing the requirement to count the number of days the motor vehicle is available for private use by an employee. What employers will be required to do is to select one of six categories depending on how the vehicle is actually used. Then it will either be subject to full FBT if the vehicle is effectively a "perk" available for private use at all times, through to having no FBT applied if it is a business vehicle only and there is very limited private use. These FBT changes are proposed to apply after 1 April 2027. There will no longer be a "work related vehicle" deregulation.

AN EMERGENCY ACCOUNT

\$450 million has been set aside as a "rainy day fund" for fuel-related issues that might crop up. Corrections, Police, Customs and Education also get additional funding to keep frontline operations going in the face of sustained fuel price increases.

CHARITIES & NFP ORGANISATIONS

In a win for not-for-profit (NFP) organisations, the budget introduces certainty on the taxation of membership subscriptions and levies by ensuring these will continue to be treated as non-taxable. From 1 April 2028, donation tax credits CAN be claimed throughout the year, rather than having to wait for a taxpayer to file their tax return to claim the credit.

NEW RULES - SHAREHOLDER LOANS

To protect the integrity of the tax system and to promote fairness, taxable income will arise for shareholders in respect of any outstanding shareholder loans that remain when a company is removed from the Companies Register. This change is proposed to apply for any company removed from the Companies Register on or after 4 December 2025.

HEALTH INVESTMENT

The Government proposes to spend \$682 million in capital investment to improve hospital infrastructure with a number of major hospital upgrades along with \$35 million over 4 years to bolster frontline services such as ambulance services, staff training and a digital patient records system with a focus on cybersecurity.

SUPERGOLD CARD TO BE UPGRADED

The SuperGold card will soon be able to be used as an official form of ID. The Government has invested \$43m into working with pensioners to upgrade their cards to a new version which will be able to be used instead of a driver's licence or passport.

EDUCATION CHANGES

The final-year fees free scheme will no longer be available from the end of 2026. The savings made will be invested into the delivery of trades training and other vocational education.

Funding will also go towards maths and literacy learning resources and programmes, additional classrooms and a number of major school redevelopments.

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GIFT CARD RULES HAVE CHANGED

Earlier this year gift card rules changed. If your business sells physical or digital gift cards or vouchers, you will need to check that they have the right information on them. The aim of the changes is to give customers clearer information while stopping gift card money going to waste. The rules cover most gift cards and vouchers sold or exchanged for value - including bonus gift cards a business gives with a purchase.

Point of sale, e-commerce platforms and any digital templates may need updating so the right expiry information shows automatically. If the business still has printed cards that do not meet the changed requirements, update or replace these before selling.

What has changed?

Any eligible gift card a business sells must now last at least three years from the date of sale. If the gift card does not state the expiry date, the law automatically sets this date at three years.

Expiry details must be easy for customers to find and show:

- ✓ The exact expiry date, or
- ✓ "No expiry date," or
- ✓ The date of sale and how long the card is valid for (e.g., "expires 3 years from purchase date").

Some cards are excluded from these rules - these include:

- Cards given when goods are returned;
- Prepaid top-up cards for transport, electricity, gas telecommunications, or water
- Vouchers automatically generated when a customer hits a spend or loyalty threshold.



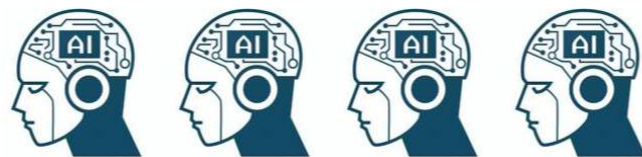
FROM SEO TO GEO: AI IS CHANGING THE WAY CUSTOMERS FIND YOUR BUSINESS

For over a decade, Search Engine Optimisation (SEO) has been a major part of a business' digital presence. Techniques like keyword research, metadata and backlinks have helped websites appear on the first page of Google when they relate to relevant searches.

You've probably either dabbled in SEO yourself or hired someone to help push your website up the rankings. But, like so many things, artificial intelligence (AI) is changing the game.

Instead of Googling, people are increasingly turning to AI platforms like ChatGPT, Claude, Gemini and Copilot to find products, services and local businesses.

AI does not just "rank pages" the way Google does, it gathers information from across the internet and summarises it into answers. If your content is inconsistent, unclear, or rarely updated, AI tools are less likely to include your business in their responses.



There are four GEO tips to help your business stay visible in an AI-led search world:

1. Accuracy - make sure your business name, services, pricing, location, and expertise are up to date everywhere you appear online: your website, Google Business profile, social media, and any directories in which you are listed.
2. Readability - AI prefers content that is clear and easy to read. Keep using personality, humour, and your own unique style: just make sure the language is unambiguous so it is easy for AI to understand what you do, where you are and who you serve.
3. Reputation - reviews matter more than ever. AI increasingly relies on ratings and customer feedback to decide which businesses to recommend, so encourage clients to leave honest reviews on Google and Facebook.
4. Structure - help AI interpret your website by structuring your content clearly. Direct headings, well-labelled services or product descriptions and a logical flow to your FAQs make it easier for AI to find, trust, and recommend your business.

DATA SECURITY AND PRIVACY RISKS YOU CAN'T IGNORE

AI can assist with productivity but there are big question marks around what it might do with your data and that of your customers as well. Therefore, it is best to avoid sharing sensitive information (especially customers' personal details, financial information and business intellectual property) on public AI tools.

Phishing is still the top digital threat with scammers now using AI to create more realistic messages, invoices and impersonations. So train your staff to spot red flags and run scam-simulations tests.

After thieves stole precious jewels from the Louvre last year, there was rumour circulating that the Museum's security password was 'Louvre'. True or not, it is a good reminder to use multi-factor authentication and choose long and complex passwords. Hard to remember = hard to guess.

Third-party tools such as online apps for payroll, scheduling, marketing or sales are useful, but if these are not secure, neither is your data. Always choose reputable platforms with strong security measures.

AUDIT SHIELD CLAIMS REFLECT A SUSTAINED LIFT IN INLAND REVENUE COMPLIANCE FOCUS

Audit Shield is a comprehensive tax audit insurance solution that provides cost effective assistance covering professional fees incurred by Accountants responding to Inland Revenue's unexpected and official scrutiny of clients' financial affairs through reviews of returns, audit and investigations.

Inland Revenue (IR) has materially increased its compliance and audit activity over the past year, and the impact is becoming clearly visible in Audit Shield claims data recorded across New Zealand. Rather than a single spike, the pattern points to a sustained and deliberate lift in review and audit activity and shows a correlation to the recent uplift in IR funding and a clear public mandate to apply it.

It would also appear IR is engaging earlier, more frequently and across a broader range of tax types.

IR has also publicly reported strong outcomes from these audits, including the discovery of significant undeclared tax through a relatively small number of audits.

Based on claims lodged between 1 April 2025 and 31 March 2026, the three most frequent claim categories compiled by the Accountancy Insurance claims team were:

- **GST verifications** - these continue to be the most common trigger for IR engagement and is frequently the starting point for wider enquiries. In many cases, GST verification acts as a gateway to expanded review scope;
- **Income Tax Returns** - while proportionally lower, Income Tax Reviews continue to represent a significant share of claims and often involve substantial professional time if escalated;
- **Client Risk Reviews** - this shift indicates greater IR focus on higher-effort engagements that require deeper professional involvement and longer response timeframes.

on						
Type	Class	2024	2025	2026	\$ Change	% Change
Sheep	Ewe Hoggets	101	147	188	41	27.9%
	Ram & Wether Hoggets	101	145	180	35	24.1%
	2th Ewes	159	201	265	64	31.8%
	M A Ewes	134	178	237	59	33.1%
	5 & 6yr Ewes	106	148	205	57	38.5%
	M A Wethers	79	111	176	65	58.6%
	Breeding Rams	309	310	431	121	39.0%
Beef Cattle	Rising 1yr Heifers	671	944	1,319	375	39.7%
	Rising 2yr Heifers	1,145	1,521	1,959	438	28.8%
	M A Cows	1,304	1,865	2,376	511	27.4%
	Rising 1yr Steers	855	1,181	1,619	438	37.1%
	Rising 2yr Steers	1,292	1,741	2,273	532	30.6%
	Rising 3yr Steers	1,633	2,172	2,807	635	29.2%
	Breeding Bulls	2,878	3,534	5,008	1,474	41.7%
Deer Red / Wapiti / Elk	Rising 1yr Hinds	282	293	295	2	0.7%
	Rising 2yr Hinds	454	507	525	18	3.6%
	M A Hinds	510	602	612	10	1.7%
	Rising 1yr Stags	302	359	383	24	6.7%
	Rising 2yr Stags	697	767	691	-76	-9.9%
	Breeding stags	2,588	3,330	3,370	40	1.2%

The 2026 NAMV or Herd Scheme Values were released on 28 May 2026. As expected, there were substantial increases in all values

The increase in value is tax-free income for farmers who use the Herd Scheme to value livestock at the end of the 2026 financial year



ADAM & EVE

**God came down to the Garden of Eden, and said
“Adam, I’ve decided that you will have a companion,
and that companion will be called “woman.”**

She will be easy to get along with.

She will be supportive of you.

She will make your life easier.

You will be glad to have her company.”

Adam interrupted

“Wait a minute, wait a minute.

How much is this “woman” going to cost me?”

God answered “It will cost you an arm and a leg.”

Adam replied “Well, what can I get for just one rib?”

