



Paul Duggan & Associates Limited
Chartered Accountants

ACCELERATE

OUR NEWSLETTER FOR GROWING BUSINESSES



As 2025 draws to a close, we'd like to thank you for your continued support this year. Our team is taking a well-earned break from 5pm on Monday, 22 December and will return to the office on Wednesday, 7 January 2026.

But before you switch on the out-of-office, take a moment to get your business ready for the holiday season. In this issue, we've included tips to help you manage the summer cash flow crunch, a guide on what you can (and can't) claim back for festive spending, advice for compliant Christmas promotions, and a timely reminder to look after your team's mental health as the year wraps up.

Wishing you a safe, sunny, and successful holiday season!

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How to survive the Christmas cash flow crunch

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.

1. 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.

2. Invoice early, follow up now

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

3. Prioritise essential spending

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

4. 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. Our team can help you plan ahead, manage your cash flow, and explore IRD instalment options to lighten the load.

'Tis the season for giving... but what can you claim back

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.

Remember: GST adjustments apply for entertainment expenses that are 50% deductible.

Not sure where your Christmas spending fits?

[Find out more](#)

Worried about the summer squeeze?

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

The do's and don'ts of holiday sale specials

When run right, Christmas promotions don't just boost sales, they build trust that lasts well beyond the festive season. Follow these five simple rules to spread holiday cheer without a compliance headache.

Do: offer genuine holiday discounts and Christmas bundle deals.

Don't: hike your prices beforehand to make your discounts look better than they are.

Do: Be transparent about available stock and time limits.

Don't: Use countdown timers or "only 2 left!" gimmicks to create a false sense of urgency.

Do: Showcase real, recent customer reviews.

Don't: Cherry-pick, recycle, or fabricate testimonials.

Do: Keep a close eye on your stock levels.

Don't: Promote items that are already sold out.

Do: Offer gift cards or vouchers for easy last-minute gifts.

Don't: Set expiry dates shorter than three years: it's against [New Zealand law](#) from March 2026.



Want to end on a high note? Support your team's mental health ahead of the holidays

The final stretch of the year can be hectic: deadlines loom, inboxes overflow, and everyone's racing to wrap things up before the holidays. Add in a packed social calendar, and it's no surprise stress levels start to soar.

It's tempting to just push through the silly season, but looking after your people now helps them finish strong and return in January with the energy your business needs to thrive.

Help manage workloads

Overloading December only leads to exhaustion and mistakes. Before setting and enforcing end-of-year deadlines, ask yourself this question: does it really need to be done this year?

Prioritise what's essential and postpone non-urgent projects until January. Build breathing space into your calendar by leaving realistic gaps between deadlines. And avoid last-minute scrambles by clearly communicating cut-off dates for new work.

Acknowledge your team's hard work

Recognition boosts morale, but it doesn't have to be costly. A simple "thank you" goes a long way, whether it's in a team meeting, a handwritten note, or a thoughtful gesture like finishing early on a Friday. The goal is to make people feel seen and appreciated before the break.

Normalise asking for help

Create a culture where it's okay to admit when things feel overwhelming. You can do this by...

- **Checking in regularly**, both formally and casually.
- **Leading by example.** If you're telling your team to take a break, make sure you do the same.
- **Promote available support.** A poster in the kitchen or a company-wide email about wellbeing services can make a big difference.

And if you can see that someone is struggling, point them toward your Employee Assistance Programme or other support options.

Try a digital detox

Encourage your team to truly switch off from work over the holidays: no emails, phone calls, or notifications. A proper disconnect helps reset energy levels, and a rested team returns with better focus, motivation, and creativity.

Remember, supporting your team's mental health isn't just good leadership, it's good business: a balanced team leads to a balanced ledger.



Tax Calendar - December 2025 and January 2026

DATE	CATEGORY	DESCRIPTION
5 December	PAYE	Large employers' payment due. File employment information within two working days after payday.
22 December	RWT	Return and payment due for withholding tax deductions from dividends and deductions of \$500 or more from interest paid during November.
22 December	PAYE	Small and large employers' payment due. File employment information within two working days after payday.
22 December	NRWT / Approved Issuer Levy	Payment and return due.
15 January	Provisional Tax	Instalment due.
15 January	GST	Payment and return for November.
15 January	PAYE	Large employers' payment due. File employment information within two working days after payday.
20 January	RWT	Return and payment due for withholding tax deductions from dividends and deductions of \$500 or more from interest paid during December.
20 January	NRWT / Approved Issuer Levy	Payment and return due.
20 January	PAYE	Small and large employers' payment due. File employment information within two working days after payday.
20 January	FBT	Return and payment due for the December 2025 quarter.
28 January	GST	Return and payment for December.

Note: the provisional tax due dates apply to those clients who have a March balance date. Different dates will apply for those clients who have different balance dates.