Working for Families Details – 31 March 2020

Client Name:		Phone:	
Balance Date:	31 Match 2020	Fax:	
		Email:	

To: Sutcliffe Graham & Co Limited

Terms of Engagement

I hereby instruct you to prepare our Taxation Returns for the 2020 year. I undertake to supply all information necessary to carry out such services, and will be responsible for the accuracy and completeness of such information. You are hereby authorised to communicate with my bankers, solicitors, finance companies and all government agencies to obtain such information as you require in order to complete the above assignments. I authorise you to obtain information from Inland Revenue about all tax types except child support (NCP or CPR) in order to complete the above assignments. This includes obtaining information through all Inland Revenue media and communication channels.

You are to represent me/us as my/our tax agent. All income tax returns will be signed by me/us however you are authorised to sign any other taxation return on behalf of myself/ourselves or any of my/our associated entities.

I/We also accept that you have the right to charge interest on overdue accounts at the rate of 1.5% per month, and that all accounts are due for payment by the 20th of the month following invoice date. The charging of such interest will be at your discretion. I/We accept that any collection costs you incur will be fully recoverable from me/us.

Signature _____ Date _____

Working for Families Tax Credits and Parental Tax Credit

Please supply full names and birth dates of all children. Please note the following: ▪ If you had a child born within the current financial year, please include their IRD Number below. If you do not have this, you will need to obtain one for them in order to claim any entitlement for them ▪ Where a child has become financially independent during the current financial year, please advise the date they left school or home	☐ ☐	

Child's Name	**IRD No.**	**Date of Birth**	**Date left School**

Records Required	✓	Comments
Working for Families Tax Credits and Parental Tax Credit *(continued)*		
If you have received Working for Families Tax Credits during the year, please supply the certificate issued to you by IRD, detailing the amounts.	☐	
Also provide details of any child support or maintenance payments made or received.	☐	
If we do not prepare your spouse or partner's taxation return, please provide us with details of their income.	☐	
Have there been any changes to your family circumstances, including a change in responsibility for your dependent child(ren), you have married, separated or otherwise changed your family circumstances? If so, please provide details.	☐	
Do you share custody of your child(ren) with anyone other than your partner? If so, please provide details.	☐	
Did you work on average less than 20 hours per week if single or did you and your spouse / partner combined work less than 30 hours per week? If so, please provide details.	☐	
Additional income information - Working for Families Tax Credits		
From the year starting 1 April 2011 the definition of family income for Working for Families Tax Credits has been extended. You are now required to supply details of income received from the following sources:		
▪ **Attributable trustee income** Attributable trustee income is all income for the year of a trust that hasn't been distributed as beneficiary income. Trustee income will be attributed only to settlors of a trust. The settlors are individuals who establish or contribute funds to the trust.	☐	
▪ **Attributable fringe benefits** If you receive fringe benefits and you or your associates (e.g. the family trust) are shareholder-employees of the company you work for and you or your associates hold voting interests of 50% or more then you need to include the fringe benefits in your family income. The value of the fringe benefit is the tax-inclusive value of the benefit.	☐	
▪ **PIE income** This includes an amount of income attributed by a portfolio investment entity (PIE) to the principal caregiver or their spouse or partner, except if the PIE is a superannuation fund or a retirement savings scheme (e.g. KiwiSaver).	☐	
▪ **Passive income of children** This includes all passive income such as interest, rents or beneficiary income, received by a dependent child above a threshold of $500 per year, per child.	☐	
▪ **Income of non-resident spouse** If your spouse or partner, who is not a tax resident, is earning an income overseas, from 1 April 2011 you will need to include their worldwide income as part of your family income.	☐	
▪ **Tax exempt salary or wages** This includes salary and wages that are exempt from income tax under specific international agreements in New Zealand. (e.g. employees of international organisations such as the United Nations or the Organisation for Economic Co-operation and Development (OECD).	☐	
▪ **Pensions and annuities** This includes tax-exempt overseas pensions and 50% of the amount of pension or annuity payments from life insurance policies or a superannuation fund, excluding NZ Super	☐	

Records Required	✓	Comments
Additional income information - Working for Families Tax Credits *(continued)*		
▪ **Other payments** These are payments from any other person or entities that are used for the family's day-to-day living expenses. If the total amount is more than $5,000 for the tax year, then the total amount must be included as family income.	☐	
▪ **Income equalisation scheme deposits (excludes 'adverse events' deposits)** This includes any deposits made by you, a company controlled by you or your trust to an agricultural, fishing or forestry business income equalisation scheme account at Inland Revenue.	☐	
▪ **Major Shareholder in a Close Company** Shareholders owing at least 10% of a company where five or fewer shareholders own greater than 50% of the company will be required to include their proportionate share of net income of the company (in addition to dividends received from the company)	☐	
▪ **Certain distributions from superannuation schemes and retirement savings schemes** Distributions received from superannuation schemes and KiwiSaver (other than on retirement) may be included in family income	☐	
▪ **Fringe benefits to shareholders** Shareholder employees owning 50% or more of the company (including interests of associated persons) will need to include attributable fringe benefits (i.e. motor vehicles, low interest loans, subsidised transport > $1k, contributions to insurance/sickness/accident/death funds >$1k and other benefits >$2k) From the 2015 income year, employees and non-controlling shareholders will be required to include motor vehicles (where the person would have been entitled to more employment income if they had not chosen the motor vehicle) and the value of short term charge facilities.	☐	
▪ **Losses** Losses from other businesses / investments / rental properties do not reduce income for the purposes of working out the Working for Families tax credits entitlement. A detailed description and examples of above income types is available from the IRD website: http://www.ird.govt.nz/income-tax-individual/income-adjust/intro/iit-adjust-income.html	☐	