



Paul Duggan & Associates Limited
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tax + business newsletter



April Changes Special Alert 2014

A quick reference for rates and thresholds that change on 1 April.



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ACC

Workers and employers will pay \$387 million less in ACC levies in 2014/15. This affects the Earners Account (paid by workers) and the Work Account (paid by employers). The ACC earner levy rate decreases from 1.70% to 1.45% (inc GST).

Work Account Average levy (per \$100 of liable earnings, inc GST)	\$1.09
Earners' Account levy (per \$100 of liable earnings, inc GST)	\$1.45

Maximum and minimum amounts for earnings have also been adjusted:

Who	What	Increases	
		from	to
employees and private domestic workers	maximum liable earnings		
	Work Account Levy	current portion	\$116,089 \$118,191
		residual portion	\$113,768 116,089
self employed workers	minimum liable earnings	\$28,080	\$28,600
	maximum liable earnings	\$113,768	\$116,089

The amount ACC contributes to services under the Cost of Treatment Regulations increases by 1.78% from 1 April 2014.



Annual General Adjustments to benefits

From 1 April 2014, some payment rates increase based on the updated Consumer Price Index of 1.38%.

The Annual General Adjustments include:

- rates and thresholds for main benefits, Student Allowances, Student Loan Living Costs and the Foster Care Allowance
- rates and thresholds for some supplementary assistance
- thresholds for the Community Services Card
- New Zealand Superannuation and Veteran's Pension

NZ Superannuitants will receive a 2.66% increase so that the married rate continues to equal 66% of the average net wage.

Minimum Wage

The minimum adult wage rate for a worker 16 years or older increases to \$14.25 per hour.

The starting-out minimum wage and the minimum training wage rates increase to \$11.40 per hour

Working for Families

The minimum family tax credit threshold will increase from an after-tax income of \$22,724 to \$22,776.

Student Loan Living Cost

The maximum weekly amount available is \$175.96.

Student Allowances

To obtain the maximum allowance you must not earn more than \$210.88 a week before tax, as well as meeting all the other eligibility criteria.

If you are aged 18-23 and have no children, the combined taxable income of both your parents in the last financial year has to be less than:

- \$84,016.80 before tax (if you are living at home while studying)
- \$91,264.01 before tax (if you are living away from home to study)

If you have a partner and children, your own and your partner's combined taxable income needs to be less than \$878.49 a week before tax, otherwise the allowance will reduce for every cent earned above this.

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