

December 2019

CA ANZ Members

Kia ora

I'm really pleased to be able to share some of what I spoke about with delegates at the Annual Tax Conference with all of you.

As you'll be aware, we're transforming New Zealand's tax system - and when I say we I mean all of us, not just Inland Revenue. As part of a thriving tax community, we all collectively steward the tax system and we're in this big change together.

I know there's some concern that we are aiming to remove tax agents from the system. That is absolutely not the case. Through transformation we are intent on providing you with greater transparency about your client's affairs and more tools for you to manage their relationship with you, as well as their tax positions.

Like us, you work in the tax system every day and like us, you want to deliver great services for your clients. I know that some of the changes we've made have brought about inconveniences and challenges for you. We haven't got everything right all of the time and I absolutely acknowledge that. With changes of the scale and size we're making that's to be expected, but I appreciate that for those working in the system every day, and particularly those in public practice, this has been frustrating.

And of course, we still have both our old (FIRST) and new (START) IT systems running. While we are trying to smooth this as far as possible, until we complete the whole transformation there will be some challenges as we operate between systems.

We've worked closely with the CA ANZ tax team and appreciated the contribution they've made in helping us prioritise what issues are most important to members. We've also listened to the wider tax community and addressed issues and made improvements.

You will have seen some of those already - such as the further information we provided to help you understand more about how our new processes work. We've also ensured that letters will no longer be sent to your clients that should be sent directly to you.

We ran the new auto-calculation process for the first time this year and we know that we didn't get the design of that completely right for all tax agents and their clients. Based on your feedback, we're making welcome changes to the way we do automatic income calculations in 2020 for tax agent clients. You can find out more about that here: Business Transformation Update www.ird.govt.nz/solutions.

It can sometimes be difficult to reach us by phone but one of the key things about our new system is the opportunity it gives you to do more things directly yourselves via self-serve options, without the need to contact us. This includes downloadable client lists, return reports, registering clients for new tax types, transfers and instalment

arrangements – you'll be pleased to know that we'll be making improvements to transfers and instalments with our next release.

If you've not logged into MyIR recently I would encourage you to log-in and take advantage of it! Using MyIR and making sure that you've set up your account management at the right level for you, your practice and your clients, puts you in control of what comes to you. Next year, you will be able to use it to manage the 2020 end of year process for your clients, depending on their circumstances.

As I said, we're in this together. You're given trusted access to Inland Revenue's systems on behalf of your clients and this comes with certain responsibilities. I know you take your responsibilities seriously, but we do see some behaviours among a few people which are of concern such as:

- sharing password access;
- not always holding the appropriate authority to act for a client in some specific matters; and
- not keeping up with your own compliance issues.

As an important partner in our tax system and members of CA ANZ, it's essential that you uphold the highest professional standards in everything you do and help keep our systems safe and secure. It's part of being a tax agent in today's world and I know that CA ANZ members place a high value on professional standards.

Release 4 in April 2020 will see more products move into our new system including KiwiSaver and student loans and some of the smaller schemes such as Income Equalisation and Environmental Restoration. All PAYE will be in our new START system too so it will make the process faster and easier for you.


We've set up a series of webinars to keep you in the loop on Release 4 changes – you can register to join a webinar or watch them On Demand via our website. We'll also be providing seminars in early April 2020 and updates through our usual channels.

In the new year you'll also have access to a new and improved Tax Technical website, which will make it easier for you to browse and search our publications, public consultations and technical content. I know this is important for you and I look forward to hearing your feedback on it.

As a member of CA ANZ, you're part of a large community of practice. I regularly hear about how you're using our systems and products to improve things for your customers and yourselves. Please share those things with each other too, as we all get used to working in the new system.

With more than 500 CA ANZ members among our Inland Revenue staff, we value the role CA ANZ plays. Inland Revenue is looking forward to continuing our transformation journey alongside you, delivering the kind of tax system that we all want.

Nga mihi



Naomi Ferguson
Commissioner of Inland Revenue