



**PKF**  
Carr & Stanton

Chartered Accountants  
and Business Advisers

June 2025



**Kia ora,**

It's hard to believe we're approaching the halfway mark of 2025, but it's a great opportunity to pause and reflect on the journey so far — both for our team here at PKF Carr & Stanton, and for you, our valued clients.

The first half of the year has brought its share of complexity. Ongoing economic volatility, challenging labour markets, and cost pressures have kept many businesses on their toes. Despite this, we've continued to see remarkable resilience, adaptability, and forward thinking from the business community in Hawke's Bay and beyond.

Here at PKF Carr & Stanton, we've been proud to support clients through everything from compliance and tax planning to strategic advisory, succession planning, and digital transformation. It's clear that businesses are increasingly seeking deeper insights and forward-focused advice — and we're committed to being a proactive partner every step of the way.

Internally, we've continued investing in technology and training to ensure we're equipped to deliver the highest level of service. We're adding to our team and proud to be working with the next generation of advisors, helping to grow a strong pipeline of talent for our region.

Looking ahead, we know that the second half of the year will bring new opportunities and challenges. Whether it's coming to grips with the recent Budget announcements, preparing for upcoming regulatory changes, refining your business strategy, or simply finding smarter ways to operate, our team is here to help.

Thank you for your continued trust in PKF Carr & Stanton. We value the relationships we've built and look forward to helping your business thrive in the months to come.

**Michael Jackson, Director**



**Compliance & Tax**



### Commercial Building Depreciation Removal for 2025

For the 2021 to 2024 income years, the depreciation rates of 2% DV and 1.5% SL were introduced for non-residential buildings with an estimated useful life of 50 years or more. From the 2025 income year, these returned to 0%.

### 39% Trust tax rate takes effect

For the 2025 tax year (1st April 2024 to 31st March 2025) the tax rate for Trusts and Estates has increased from 33% to 39%. There are a few exemptions where the 33% tax rate will still apply.

Trusts earning less than \$10,000 in the tax year.

Deceased estates in the year of death and the following three full income years.

Disabled beneficiary Trusts and Energy Consumer Trusts.

These changes will be noticeable for trusts that retain income rather than distribute to beneficiaries as they will face increased tax liabilities at the end of the 2025 tax year. Contact us for information on how to handle these new changes.

### Changes in Individual Tax Brackets

From 1st April 2025, personal income tax thresholds have changed.

10.5% applies up to \$15,600 (previously \$14,000)

17.5% applies from \$15,601 to \$53,500 (previously up to \$48,000)

30% applies from \$53,501 to \$78,100 (previously up to \$70,000)

Check your payroll systems have reflected the composite rates applying from July, to ensure there are no surprises in terms of incorrect PAYE deducted. Double check your systems are set up for the new marginal tax rate thresholds applying from 1 April 2025.

Get in touch if you have any questions - we'll guide you through it.

### Residential Rental Interest Deductions changes

As of 1st April 2025, investors can again claim 100% of the interest deduction on their residential rental property. This will apply to the 31st of March 2026 tax year. For the financial year ended 31 March 2025 (1st April 2024 to 31st March 2025) property investors can claim 80% of the interest on funds borrowed for a residential rental property.

## Driving Success

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### Key Budget 2025 Initiatives

Budget 2025 prioritises key areas such as business investment, health, education, and infrastructure, while maintaining fiscal discipline and avoiding new broad-based taxes. Here's the key takeaways:

- **Investment Boost Tax Incentive**  
One of the key initiatives in Budget 2025 is the introduction of the *Investment Boost Tax Incentive*. This policy allows businesses (including commercial property but excluding land and residential property) to immediately deduct 20% of the cost of new assets from taxable income, in addition to regular depreciation. The aim is to stimulate business investment and increase productivity, which is expected to lift wages and capital stock over time, contributing to a stronger economy.
- **KiwiSaver Enhancements**  
The Government is implementing several reforms to improve KiwiSaver's sustainability and increase savings for New Zealanders.
- **Cost of Living Support**  
To assist households facing the rising cost of living, the Budget introduces a range of support measures.
- **Health Funding**  
A \$7 billion operating funding increase over the forecast period is earmarked for New Zealand's health sector.
- **Education Investments**  
A \$1.5 billion investment will be made in New Zealand's education sector to support student achievement.
- **Law and Order**  
Budget 2025 includes an additional \$1.1 billion in funding for law enforcement and justice reforms.
- **Defence and Foreign Affairs**  
The Government has allocated \$1.9 billion in operating funding and \$1.1 billion in capital funding to strengthen New Zealand's defence and foreign affairs capabilities. This reflects the evolving global geopolitical context and New Zealand's role in ensuring peace and stability in the Pacific region.

Unsure where you sit following the latest announcements? PKF Carr & Stanton are just a call away and ready to help you set up for success.

Get in touch with our team

### Team News

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#### Hawke's Bay Rescue Helicopter Trust

PKF Carr & Stanton Director, Michael Jackson, has again been endorsed by the Appointment Panel to be a Trustee of the HB Rescue Helicopter Trust for another 3 year period.

Congratulations Michael – the region extends its thanks and appreciation to the Trustees and crew of the Hawke's Bay Rescue Helicopter Trust for the critical service they provide to our people.

#### Swinging into the Community – Stockies vs Cockies Golf Day



Last month we swapped spreadsheets for sand wedges and took part in the annual "Stockies vs Cockies" golf tournament at the Puketitiri Golf Club. It was a fantastic day out in the hills, bringing together rural professionals and the farming community for a bit of friendly competition (and a few wayward drives).

PKF Carr & Stanton was proud to support the event by sponsoring a couple of bottles of bubbles for the prize table which is our way to toast the great people and strong relationships that keep our region thriving.

A big thank you to the organisers and fellow sponsors who made the day possible, and to everyone who came along. It's events like these that remind us why we love working with our rural communities.

#### Big Congrats to our latest CA!





Congratulations to our latest chartered accountant - Julia Leigh. Julia has gone from a year 13 high school student to a fully qualified chartered accountant in less than 7 years! Achieved her degree, CAANZ modules, practical experience, her sign off and certificate. Extremely well done Julia – you should be very proud – we are 😊

We sat down with Julia and asked her a few questions about her journey from school to CA!

### **Why**

#### **What drew you to the world of chartered accounting?**

When I was finance manager for my business group at high school, we won a young enterprise award for finance - that was when I first realised that I had a good grasp of accounting. I also knew that the chartered accounting world offered lots of potential career-wise.

### **Journey**

#### **What's one thing that surprised you about your CA journey?**

Honestly? How fast it actually went by! I was surprised by how much personal growth happened outside of the study - like time management, resilience, and discipline.

#### **Any moments you'll never forget from the study or work side of it?**

Definitely the final exam result – that was a massive relief. There were also plenty of laughs shared with my workshop groups throughout the program.

#### **Who/what helped get you through the tough parts?**

A mix of supportive friends and family and setting mini rewards to get through each step. Having a bit of structure and support made a big difference.

### **PKF Life**

#### **How has being part of the PKF Carr & Stanton team helped along the way?**

The team's been great — always willing to help out or check in. Having that steady support around made things a lot more manageable. We are also super lucky to receive paid study leave.

#### **Shoutout to anyone who's been especially supportive?**

Definitely Julie and Mike for their consistent support and encouragement and always willing to answer questions.

### **Future**

### Now that you've got the letters - what's next?

Taking a moment to enjoy it — and then getting stuck into some more challenging work. Keen to keep learning and growing.

### Anything you're keen to dive into or learn more about?

I'm keen to learn more about how I can add value for clients beyond just the numbers.

### Advice

#### One tip you'd give someone just starting their CA journey?

Enjoy the journey, not just the destination 😊 The process taught me just as much as the end result. And ask for help when you need it.

Awesome – thank you Julia – sage advice for anyone starting their PKF chartered accounting journey.

### Community Support



### Timely Tax Reminders



### Upcoming Tax Payment Dates

#### 20th June

- Employer deductions for employers are due
- RWT on Interest and DWT returns are due

#### 28th June

- Provisional tax payments are due if you have a January, September or May balance date

#### 30th June

- GST returns are due

#### 20th July

- Employer deductions for employers are due

- RWT on Interest and DWT returns are due
- Quarterly FBT return is due

#### **28th July**

- Provisional tax payments are due if you have a February, October or June balance date
- GST returns are due

#### **20th August**

- Employer deductions for employers are due
- RWT on Interest and DWT returns are due

#### **28th August**

- Provisional tax payments are due if you have a March, November or July balance date
- GST returns are due

#### **20th September**

- Employer deductions for employers are due
- RWT on Interest and DWT returns are due

#### **28th September**

- Provisional tax payments are due if you have an April, December or August balance date

#### **29th September**

- GST returns are due
- Overseas Student Loan instalments are due

Once your tax payment has been made, please email us on [tax@pkfcs.co.nz](mailto:tax@pkfcs.co.nz) so that we can update your records accordingly.



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