



cutting through complexity

TAX

Keeping information for tax returns

Managing information for your tax returns while overseas

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So what information will you need to keep?

When you go overseas on assignment or hold offshore investments, you will be required to file a return with Inland Revenue. To do this, there's certain financial information you'll need to keep.

What information do I need to keep?

The information that you will need to keep depends on the investments you hold. Outlined below is the information that you should keep on hand for each investment type.

For each example, the information will be required for the New Zealand income year, 1 April to 31 March.

New Zealand bank accounts

You'll need to keep details of interest earned and withholding taxes applied. Banks generally provide this as part of an annual statement that covers the year to 31 March.

Foreign bank accounts

These bank statements should also be kept for the income year, as we might need to calculate the foreign exchange movement.



Rental property

You should keep records of the following:

Gross rental income earned and deductible rental property expenses, which may include:

- » Agency fees
- » Insurance
- » Repairs and maintenance
- » Cleaning
- » Mortgage interest and mortgage repayment insurance
- » Water and gas
- » Gardening
- » Motor vehicle and travel costs
- » Accounting fees for preparation of the accounts

If you have a real estate agent managing the property, some of the above expenses may be noted in the year-end summary they provide you.

For other expenses, you should keep details such as the invoices or statements outlining the costs involved.

If your rental property is not in New Zealand, we will also need to know the amount of any taxes paid on the rental income in the offshore location. To assist us with this, you should keep the offshore tax returns that include the rental income and show the taxes paid on it.

New Zealand shares

Please keep all your dividend statements.

Foreign shares

Keep statements for any payments made in the income year, as well as details of any taxes paid offshore.

You can obtain this detail from statements, but we will also need the offshore tax return that includes the income and the taxes paid on it.

If the investments are subject to the foreign investment fund rules and require a calculation to attribute the income from them, then you will need to keep the following additional information:

- » Details of the value of the investment as at 1 April for each holding
- » Details of the value of the investment as at 31 March for each holding
- » A transaction summary showing any purchases, contributions and sales payments throughout the income year

Some New Zealand investment managers will provide an annual reporting pack with these details.

Foreign life insurance

Keep records of any distributions received as a beneficiary. Also any other details as set out above for foreign shares.

Foreign Superannuation

You should keep details of any withdrawal or transfer from a foreign superannuation scheme to a New Zealand or Australian superannuation scheme.

LookThrough Company

Retain a copy of the tax return of the LookThrough Company for the income year.

Trusts

You'll need to provide details of any distributions received from a family trust.

How do I provide the information to KPMG?

You're welcome to upload the details from the information you've kept through the KPMG Tax Questionnaire and KPMG link. This is a secure website which provides a central point for sharing information on a confidential basis with KPMG.

Alternatively, we are happy for you to provide us with copies the information outlined above, and we can take the details directly from the statements provided.

When is my return information required?

We generally ask you for the information during April or May following the income year. We appreciate it if you can provide the information by 30 September.

If you are a provisional taxpayer, some information may be needed earlier. Because of different tax years in other countries, information may not be available until late in the year. In these cases, provisional tax instalments may need to be managed carefully.

How long do I need to hold on to this information?

You will need to keep the information to support your tax return for seven years after the income year that it relates to.

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