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## Do you need help with your tax management? Are you worrying because you have not told IRD about some of your income?

IRD and the New Zealand Courts take suppression of income very seriously. When commenting on the recent conviction of two restaurateurs for failing to declare their cash sales Patrick Goggin of IRD said:

“By not declaring all their income, people who do un-taxed “cashies” are taking unfair advantage of honest businesses and cheating those who pay the right amount of tax. We take criminal activity extremely seriously and if anyone is caught doing this, they will be pursued.” (source: Business Day stuff.co.nz).

Filing false GST or income tax returns by, for example not including cash sales is a criminal offence and could result in a conviction and a prison sentence.

## Should you tell IRD?

### **Voluntary disclosure**

The best way to avoid prosecution is to voluntarily tell IRD that you have not disclosed all your income for tax purposes. Even if you have received a letter from IRD saying that it wishes to carry out a preliminary investigation it is not too late to give a voluntary disclosure.

### **Do not delay**

The sooner you voluntarily disclose all your income to IRD the better it will be for you.

### **How can we help?**

Giving a voluntary disclosure should be done with great care to ensure you achieve the maximum amount of concessions that can be obtained such as avoiding prosecution and the best possible reduction in penalties. Getting it right is extremely important.

Graeme Withers and Julie Withers of Graeme Withers Law are experienced lawyers. We specialise in tax law and we are skilled negotiators.

We can deal directly with IRD on your behalf and negotiate a favourable settlement for you.

*This note is intended for general information only. It is not intended to be relied on as a substitute for legal advice which focusses on individual circumstances.*