

# Peace of Mind Policy

25 March 2020

## Access the best of both IRD and Tax Traders with complimentary *feeGuard*

Keeping cash in your business is crucial in uncertain times like these. Delaying upcoming provisional and terminal payments can decrease that uncertainty. IRD's proposed write-off of UOMI interest on late payments in some circumstances, shows the government's recognition of how helpful this will be in this time.

Tax Traders has been helping businesses achieve flexibility with their tax payments since our inception. In the light of COVID-19, we have made our *feeGuard* interest rate assurance complimentary to all. Under this peace-of-mind policy you can access the best of what both IRD and Tax Traders have to offer with confidence.

### Here's how it works

The decision to fund your upcoming tax is an easy one.

1. When you delay upcoming payments through Tax Traders, we will provide assurance on the finance fee at no cost (this is a complimentary version of our *feeGuard* rate assurance).
2. If IRD determine you meet the criteria and waive your UOMI interest, we will refund the full amount of your finance fee. No questions asked.
3. If IRD determine that you are not significantly impacted, you will already have a delayed payment arrangement in place because you've taken proactive steps with Tax Traders.
4. Further, if you fund more tax than you end up needing we'll refund that portion of your interest back to you.

## Key Questions

### Why not just use the IRD waiver?

It comes down to certainty, and the time and effort to access the write-off. As part of the Government stimulus package, we expect the IRD to write off UOMI interest on late payments for businesses that are "significantly impacted" by the downturn. However, the definition of "significantly impacted" remains uncertain

and indications are that it will require that you've exhausted all other funding options (for example you've approached your bank for an extension to an overdraft and been turned down).

This process is likely to be time consuming and you may not know if you have been granted discretion until the tax is already due. By contrast, a delayed payment can be set up within minutes, and acceptance is guaranteed. No lending documentation or security is required.

### How can I access the refund scheme?

Simply set up a delayed payment through our portal or reach out to us directly via phone or email. We will automatically include this rate assurance on your delayed payment at no extra cost (historically this has cost an additional 0.5% to access).

### Are there any conditions?

This scheme applies to any delayed payments that have an up-front interest payment and were set up with Tax Traders on or after 18 March 2020.

### How can I access the refund if I get a UOMI waiver from IRD?

Simply forward us the confirmation of the waiver from IRD to [team@taxtraders.co.nz](mailto:team@taxtraders.co.nz). We will deposit the full fee back into your nominated bank account within the following 48 hours.

### What is *feeGuard*?

*feeGuard* is our insurance product, designed to give taxpayers more flexibility with their delayed payments. It is also the mechanism we are using to provide this fee refund scheme. Traditionally *feeGuard* costs an extra 0.5% of interest, but it allows the taxpayer to recover that portion of their upfront interest cost that they wouldn't have paid if they had known at the start exactly how much tax they would ultimately need.

### Talk to your accountant today.

With Tax Traders they can set up your solution in minutes.

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