



# Got a great opportunity that needs cash? Don't want to pay your tax now? Delay your provisional tax with tax pooling.

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## What is tax pooling?

Tax Traders brings together taxpayers from across New Zealand in a tax pool. This allows you to trade tax payments with other taxpayers to match your specific needs. You can also delay your provisional tax by paying an upfront finance fee on or before your provisional tax date.

## How does it work?

Paying interest upfront reserves a tax amount in the pool. This means you can delay your payment to a future date that better suits you. If you can't pay for the tax at the maturity date, in many cases the maturity date can be extended by paying further interest.

## What are the charges?

Beyond the upfront interest amount (and any additional interest payable as a result of extending the maturity date), there are no other charges. No security or financial disclosures are required.

## What if I can't pay or don't need all the tax?

At maturity, you only pay for the tax you. With complimentary feeGuard you're entitled to a refund of the interest on any portion of your income tax that you don't end up needing. However, to the extent you need tax and don't pay for it at maturity, you'll still have some interest and penalties with Inland Revenue.

## What will I see on my Inland Revenue statement of account?

Please note, your tax payment will only appear on your Inland Revenue statement of account once your accountant has transferred the tax from the tax pool to your income tax account at Inland Revenue. This means that interest and penalties may accrue on your Inland Revenue statement of account until your tax payment is settled and transferred. On transfer, Inland Revenue will consider your tax paid in full and on time. At this point, any Inland Revenue interest and late payment charges will be removed.

## Example

Murray is a property developer. Murray's business is growing rapidly and he wants to buy some more land. To secure the land, he needs a down payment of \$100,000. However, Murray has an upcoming provisional tax bill for the same amount and he can't meet both.

By paying an interest of \$3,285 upfront, Murray delays his provisional tax bill by 12 months, which is when he expects to receive the cash from his other projects. By paying his tax through Tax Traders, Murray seizes his opportunity and **saves over \$10,000 in late payment penalties and interest.**



**Ask your accountant  
for a quote today.**