



Estate and Taxation Planning Council New Zealand Inc

July 2008

Last Seminar

Latest update on Taxation

Iain Craig, tax partner of BDO Spicers was our presenter. Iain covered the introduction of the Fair Dividend Rate (FDR) and how that impacted investors in accessing the original value of overseas investments they might have held for many years. He spoke about the PIE regime, and the fact that if a Trust uses a zero tax rate there is actually nowhere on the IR 6 tax form to include the PIE income (IRD suggestion is to include it under overseas income, even though it is domestic income).

There were several questions from the floor which covered the issue of how WINZ treats PIE income when it comes to accessing income for various benefits, the discussion clearly highlighted that there are differences on how the various offices are treating PIE income.

AGM

The AGM was held on Wednesday 2nd July at the "Romfords", Tamaki Drive, Mission Bay. The AGM was held at the end of our breakfast seminar. The meeting was short with no contentious issues on the Agenda. After a brief discussion it was felt that we should keep our subscriptions at \$100 plus GST for the next year .

The annual accounts show that the Council currently holds \$30,468 on term deposit and current account, and the question was asked if the Executive had any plans for these funds. The use of these funds and the drive for new members will be issues on the agenda for the new Executive.

After three years as President, Jeff Matthews has decided to step down and is succeeded by Gary Fitzpatrick. Past President Gary Morgan has agreed to remain on the Executive, and he is joined by Sandra Macaulay (Secretary) and Geoff Pownall. We would like to thank Deeanah Winders (Secretary) for her contribution, and wish her well as she prepares for the birth of her second child.

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| Gary Fitzpatrick | President |
| Jeff Matthews | Past-President |
| Robert Knox | Treasurer |
| Sandra Macaulay | Secretary |
| Gary Morgan | |
| Geoff Pownall | |

Executive Report to the 2008 AGM

June 2008

When I look back over the past 12 months, I believe that members have been well rewarded for their time invested and our modest membership fee. The Executive is disappointed we haven't made more progress in attracting new members. As a voluntary group the members of the Executive often face time constraints to work on Council matters because of commercial and family pressures, and the Executive is in need of some "new blood" and some fresh ideas.

Below is a brief overview of events over the past year.

August 2007

Trusts have no place in Relationship Property

The amendments introduced by the Property (Relationships) Act 1976 in February 2002 brought a new set of rules that impact significantly on personal relationships. There have been a number of high profile court cases, including the recent "Mr X and Mrs X" who are fighting out their relationship issues in the High Court, and our presenter Mark Vickerman covered the impact these cases might have for members and their clients.

Mark Vickerman graduated with an LLB (Hons) degree from Victoria University. Mark was a research officer for the Royal Commission on the Courts, with particular involvement in the Commission's recommendations for the establishment of the Family Court. Following 12 years as a litigation partner in an Auckland law firm he went to the bar where he practised in civil litigation and relationship property.

November 2007

Preparing for the future.

Being three quarters of the way through the first decade of the 21st Century, what does the future hold for New Zealand? What are the challenges and opportunities that will confront New Zealand over the next few decades?

Members and Guests were fortunate to hear a thought provoking address from Dr David Skilling on these issues, which stimulated a number of questions and considerable debate amongst members.

David leads the New Zealand Institute. David was previously a Principal Advisor at the New Zealand Treasury where he worked primarily on economic growth issues. David has a Ph.D. in Public Policy, and a Master in Public Policy degree, from Harvard University, as well as a Master of Commerce (Hons) degree in Economics and a Bachelor of Commerce degree in Accounting & Finance from the University of Auckland.

March 2008

I don't give financial advice – or do you?

With the large number of finance companies failures over the past two years, and the problems for property investors with Blue Chip, it highlighted the issue of advice and the quality of that advice, and what the new regulations for investment advice would mean to members.

Our presenter was Simon Hassan, President of the Institute of Financial Advisers (www.ifa.org) and a member of the International Council of the Financial Planning Standards Board (www.fpsb.org), who covered the following issues. Who is an investment adviser? What constitutes investment advice? What investments are covered by the Act? What do you need to disclose? What are the penalties?

Summary

As this year draws to a close, I would also like to thank the rest of my Executive Committee members for their support and hard work, namely Garry Fitzpatrick (Vice President), Gary Morgan (Past President), Deeanah Winders (Secretary), and Robert Knox (Treasurer). I would also like to thank BDO Spicers who have kindly provided a venue for the regular Executive Committee meetings.

As with any organization we need to ask ourselves, how can we do things better? How can we add more value to members? How do we attract new members? This year our focus will be attracting and retaining new members. We are looking for new members, but not just to increase our financial base, we are looking for members who will be active members and attend our Council functions.

Currently we have around 85 members, with several applications pending. This year's goal remains the same as last year, which is to increase the Council membership back over 100 active members, and to add a further 20 to 25 new members in the following couple of years.

I'm sure I speak for all on the Executive Committee when I say that we once again look forward to the challenge of meeting the needs of members, and the objectives of the Council over the coming 12 months.

Jeff Matthews
President

Next Function

Provisional date for our next breakfast seminar is: The speaker and subject to be confirmed.

Date Wednesday 10th September 2008
Time 7:15am for a 7.30am breakfast at
Venue Romfords, Tamaki Drive, Auckland