

What if my PIR was incorrect?

- If your PIR should have been lower and PIE tax has been deducted at a higher PIR, then from the tax year ending 31 March the overpaid tax will be refunded by the IRD either as the result of the IRD's year-end automated income assessment process, or through the completion of an income tax return.
- Likewise, if your PIR should have been higher, the additional PIE tax will be calculated either as the result of the IRD's year-end automated income assessment process, or through the completion of an income tax return.
- Please contact the IRD or your accountant to confirm whether you will be subject to the IRD's year-end automated assessment process, or if you will need to file an income tax return.

If your PIR is incorrect, you should change it now.

At the end of a tax year the IRD will assess whether the PIR used to calculate your PIE taxable income is correct. This assessment is based on the information available to the IRD at the time of the assessment. If the IRD determine that the PIR used was incorrect (either too high or too low) the IRD may require ASB to use a different PIR to calculate your PIE taxable income for future tax years. ASB would then need to use the PIR that IRD considers correct and your PIR recorded at ASB will be updated based on the IRD's instruction. It is possible that the IRD may not have all the information necessary to accurately determine your correct PIR. If you do not consider the PIR currently held by ASB to be correct, you can update your details per the below instructions.

You can check which PIR you should be using at www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate

How can I update my details with ASB?

You can check and correct your PIR under 'Your profile' in the top right hand corner/'Update Tax Details' in FastNet Classic Internet banking (individual customers only), by calling us on **0800 ASB FUNDS** (0800 272 386) or by visiting any ASB branch.

If we don't have your IRD number recorded (you can check the top right corner of your tax certificate), please provide it using Fastnet Classic or call **0800 ASB FUNDS** (0800 272 386).

Want to know more?

For more details about how PIE tax is calculated on your returns, please refer to the ASB Cash Fund and ASB Term Fund Terms and Conditions. If you need a copy, you can go to asb.co.nz or visit any ASB branch.

It's important to note that while we can offer general information about tax on your ASB Cash Fund or ASB Term Fund accounts, we recommend you get personal advice from an independent tax professional. If you have any other questions about your ASB Cash Fund or ASB Term Fund account, give us a call on **0800 ASB FUNDS** (0800 272 386).

The information in this document does not constitute specific tax advice to any person. Neither ASB Group Investments Limited, nor its related companies, directors, officers or employees accept any liability for the use of or reliance on the information in this document.

Units in the ASB Cash Fund and ASB Term Fund are issued by ASB Group Investments Limited, a wholly owned subsidiary of ASB Bank Limited. Investments in the ASB Cash Fund and ASB Term Fund are not deposits with ASB Bank Limited. ASB Bank Limited guarantees account balances and returns due but not paid. The guarantee is unsecured.

Keep in touch

- › Drop in to any ASB branch
- › Call 0800 272 386
- › Visit asb.co.nz
- › Visit us at [facebook.com/asbbank](https://www.facebook.com/asbbank)
- › Follow us on twitter.com/asbbank

A guide to your ASB Cash Fund and ASB Term Fund Tax Certificate.

› asb.co.nz

About this guide.

This guide is designed to help you understand your ASB Cash Fund and ASB Term Fund Tax Certificate for the tax year that has recently ended. An example tax certificate which highlights the most important information is included just across the page.

The enclosed Tax Certificate only applies to your ASB Cash Fund and/or ASB Term Fund accounts.

How has your tax been calculated?

The ASB Cash Fund and ASB Term Fund are Portfolio Investment Entities (PIEs), which means tax has been calculated using your Prescribed Investor Rate (PIR).

If you want to check whether the most recent PIR shown on your Tax Certificate is correct, you can do so at www.ird.govt.nz/roles/portfolio-investment-entities/find-my-prescribed-investor-rate

Do I have to pay tax?

As long as the PIR you provided us for the tax year was correct, you won't need to pay any additional tax on your investment income. However, if your PIR has changed or was incorrect during the tax year, then any under or over paid tax will be calculated by the IRD through the IRD's year-end automated assessment process, or by filing an income tax return. If you are required to file an income tax return your Tax Certificate will give you all the information you need. Find out more by reading 'What if my PIR was incorrect?' just over the page.

If your investment is for a family trust or a company and you have used a 0% PIR, you will need to include this income in your tax return. If you used a 0%, 10.5% or 17.5% PIR for a family trust, you will need to include this income in the family trust's tax return but you will be allowed a tax credit for the PIE tax shown in your Tax Certificate.

Joint holdings

From 1 April 2020, where an interest in a PIE is held by joint owners, the details of each owner (where available) will be communicated to the IRD along with the PIE taxable income and PIE tax withheld.

The IRD will allocate PIE taxable income and PIE tax paid across the IRD numbers of each joint owner.

If a joint owner's IRD number is not held by ASB, the PIE taxable income and PIE tax paid will only be allocated to the owner(s) who has provided an IRD number.

The amount of PIE taxable income and PIE tax paid that has been recorded in the MyIR of each account holder for the tax year ended 31 March will total the amount in this certificate.

The amount of PIE taxable income and PIE tax paid included in your MyIR record with the IRD will be different to the amounts included in this certificate if you have owned your interest in the PIE jointly at any point throughout the year, as not all income may have been allocated to you by the IRD.

This is the current PIR we hold for you. If you didn't supply a PIR, we are required to use the highest PIR.

The portion of income that is subject to taxation.

These are any tax deductible fees. You cannot claim these as expenses in your tax return as we have already deducted them for you.

This is the net amount of tax paid or refunded to your account during the current period.

Your PIR is the rate at which you have been taxed. If more than one PIR is shown, it means that your PIR has changed during the tax year.

ASB

Mr M R Customer and
Mrs M E Customer
83 Sample Road
Sample Suburb
Sample Town 1234

Please keep this certificate for your records

Certificate Number	001122334455
Period covered	1 April 20xx to 31 March 20xx
IRD number	12-345-678
Account Prescribed Investor Rate (PIR)	28% ←
The Account PIR is the highest PIR of the account owners.	

ASB Cash Fund and ASB Term Fund Annual Tax Certificate For the period 1 April 20XX to 31 March 20XX

The following is your annual summary of the distributions and Portfolio Investment Entity (PIE) tax for your ASB Cash Fund and/or ASB Term Fund account(s).

PIE Tax Summary	
Prescribed Investor Rate (PIR)	28% →
Gross distributions or income	\$10,000.00
Less tax deductible fees	\$0.00
Taxable income after fees	\$10,000.00
PIE tax paid (refunded*)	\$2,800.00

Important notes about this certificate

Most people will not need to do anything with this Tax Certificate. Please visit asb.co.nz/story28679.aspx for a copy of the ASB Cash Fund and ASB Term Fund Tax Certificate guide for further information.

If the PIR in the top right corner shown above is incorrect, you should change it now to ensure your account is taxed at the correct tax rate for the new tax year. You can update your PIR on FastNet Classic under My Settings or by calling us on 0800 ASB FUNDS (0800 272 386). If your PIR is incorrect, please refer to the tax guide for further details.

*ASB Group Investments Limited (Manager) of the ASB Cash Fund and ASB Term Fund has deducted the PIE tax from your account(s) and passed it to the Inland Revenue at the time of each distribution. Where you are due a tax refund the amount will be shown in brackets and the Manager has applied to the Inland Revenue for the refund and credited this to your account(s).

If you hold an ASB Term Fund account on 31 March in any year, you will receive a distribution or income payment on this date for the tax year end. The next distribution or income payment you receive after 31 March will be adjusted by the amount paid on this date.

Any PIE tax shown is the amount of tax on investment income from your ASB Cash Fund accounts and/or Term Fund accounts and is calculated by applying your PIR to the amount of your distribution less any fees you incurred. Your accounts are adjusted for PIE tax by either buying or selling units at the time of distributions. The units in the ASB Cash Fund and the ASB Term Fund are issued by ASB Group Investments Limited. Amounts expressed as dollars represent the value of units held, priced at \$1.00 per unit.

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