

KAUMATUA GRANT

Process Walkthrough

20 May 2021 **Draft**

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Thank You

We do hope you enjoy this new facility which is funded by your support and subscriptions. Unlike other development organisations, we have had no assistance or grants and completely rely on you.

The majority of revenue is put back into development, towards a bigger picture to make registrations and administration of whenua and Iwi memberships, much easier.

Many years ago, it was just a dream. Now we are actively pursuing and focused entirely on this goal.

Tax

Information in this document are examples only and not suggested rates or values.

Taxable grants require tax rates to be applied based on information supplied from your accountant, as **we are not accountants or tax specialist**

Approach IRD if you or your accountant do not know the correct tax rates.

An **example** of the rates are as follows:

17.50%	MA Credit Rate - Base
17.50%	Credit Availability Rate <i>0 = Nil, Full = 17.5%</i>
\$200.00	RWT Threshold \$
21.50%	RWT No IRD and over RWT Threshold
.00%	RWT No IRD
15.00%	NRWT

MA = Māori Authority.

The above example states 39% RWT (21.5% + 17.5% MA) is applied where the grant is \$200 or over and the owner has no IRD number applied against the owner record.

Introduction

The Kaumatua Grant process is designed to simplify grant distributions (e.g., \$200 to eligible owners for contribution towards firewood) based on the date of birth.

It works almost the same as the current distribution process except the amount being distributed does not take the shareholding into consideration; as long as the owner had or has shares in the selected trust, a NZ bank account and some other basic criteria.

Not Supported

- Kaumatua Grant distribution through trust groups
- Education or other grants
- Non-NZ Bank Accounts
- Cheques
- Multiple pending grants
 - Only one grant to be processed at a time
- Payment of grant only
 - The full outstanding balance owing to the owner – for the selected trust - is paid out, including the grant

Eligibility Criteria

Owners must have a minimum of:

- DOB
- Have or had shares in the selected trust
- Record not Closed
- Valid NZ Account
- Pay set to Direct Credit
- Bank Country set to NZ

The screenshot shows the 'Shareholder Info' tab in the Arise Software interface. The form contains the following fields and values:

- First Name: Aida
- Surname: Beier
- Address (Cheques): add1
- PostCode: (empty)
- Address (Notices): (empty)
- Payee: (empty)
- IRD: (empty)
- NRWT: ☐
- Bank Country: NZ (dropdown menu)
- Pay: Direct Credit (dropdown menu)
- Bank: 11-1111-1111111-11
- Sex: Unknown (dropdown menu)
- DOB: 01/01/1970
- Age: 51y
- Code: 3009665
- Dec'd: ☐ Decd: -
- Bank Account Details: (button)
- Closed: ☐

Yellow boxes highlight the following fields: Bank Country, Pay, Bank, Sex, DOB, Age, and the Closed checkbox.

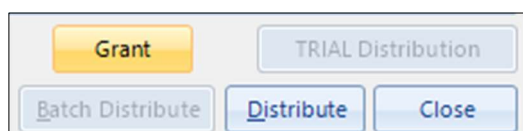
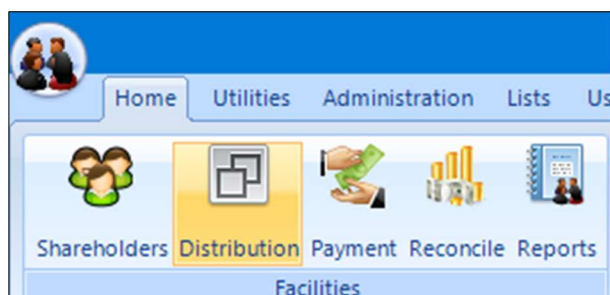
Optional Criteria

Further restrictions can be applied:

- Must have Address
- Must have IRD
- Cannot be Deceased

Step 1: Start Process

Login to GDPPro, click Distribution then click Grant.



Step 2: Enter Criteria

A screenshot of the 'Enter Criteria' form in the GDPPro software. The form contains several input fields and checkboxes. At the top, there are fields for 'Date' (19/05/2021), 'Trust' (Kopuhaia2), and 'Rate per Owner' (\$200.00). Below these are radio buttons for 'Maori Authority' (selected) and 'Maori Authority Tax Free'. A 'Note' field is also present. Further down, there are 'DOB From' (01/01/1900) and 'To' (01/01/1970) fields. A 'Must Have' section includes checkboxes for 'NZ Account' (checked), 'Address', 'IRD', and 'Not Decd'. A warning message states 'Must have NZ Account, DC Pay Method and not Closed'. At the bottom, there is an 'SH#' field, a 'Search' button, and an 'Apply' button.

- **Date**
 - Date of grant distribution
- **Trust**
 - Trust that the eligible owners are to have, or had, shares
- **Rate per Owner**
 - Gross grant distribution amount per eligible owner
- **Māori Authority or Māori Authority Tax Free**
 - Tax or Tax-Free grant distribution using the same taxation process and rules as the normal distribution process

- **Note**

- Grant distribution note/comment which appears in the financial transaction line

- **DOB From and DOB To**

- Date range for the DOB

For example, an owner is to have a DOB between and including 1/1/1900 and 1/1/1970 to be eligible for a grant:

DOB From * To *

- **Must have NZ Account, Address, IRD, Not Decd**

- Additional eligibility options

Click Apply once criteria is entered. This will refresh the grid with eligible owners.

Step 3: Select who to pay

	Pay?	SHID	First Name	Last Name	Payee	DOB	Age	Bank Account	Balance	Decd	IRD	Shares	Address
→	<input checked="" type="checkbox"/>	60	Alexandro	Zemlak		04/01/1967	54.4	11-1111-1111111-11		<input type="checkbox"/>		0.095679	
	<input checked="" type="checkbox"/>	65	Aida	Durgan		03/01/1968	53.4	11-1111-1111111-11		<input type="checkbox"/>	111111111	6.27598	
	<input checked="" type="checkbox"/>	102	Aida	Beier		02/01/1969	52.4	11-1111-1111111-11		<input type="checkbox"/>		0.205025	add1
	<input checked="" type="checkbox"/>	109	Alvera	Rau		06/01/1965	56.4	11-1111-1111111-11		<input checked="" type="checkbox"/>	111111111	0.8201	add1
	<input checked="" type="checkbox"/>	2	Alia	Schaden		05/01/1966	55.4	11-1111-1111111-11		<input type="checkbox"/>	111111111	1.224191	add1
	<input checked="" type="checkbox"/>	10	Ada	Hodkiewicz		01/01/1970	51.4	11-1111-1111111-11		<input type="checkbox"/>	111111111	0	add1

Pay Column

This can be manually ticked, to mark those to be paid, or can use the Tick All / Clear All buttons.

Owner Information

- SHID
- First Name
- Last Name
- Payee
- DOB
- Age
 - Calculated from the current day
- Bank Account
 - These are validated when the owner record is added to the grid. The bank account will be tagged invalid if not pass the validation routine. Invalid bank accounts are unable to be marked for payment.
- Balance
 - Current overall outstanding balance of the owner – for the selected trust – excluding the grant
 - The full outstanding balance owing to the owner – for the selected trust - is paid out, with the grant amount
- Decd
- IRD
- Shares
 - Shares to date
 - The balance can be 0 for those that used to have shares in the selected trust
- Address

Step 4: Check tax rates

Tax

MA Credit Rate - Base	17.50%	Credit Availability Rate	17.50%
RWT Threshold	\$200.00	RWT No IRD and over RWT Threshold	21.50%
NRWT	15.00%	RWT No IRD	.00%
<button>Update Rates</button>			

Tick AllClear AllExport to CSVTrialDistributeClose

Step 5: Click Trial and check report

Tax

MA Credit Rate - Base	17.50%	Credit Availability Rate	17.50%
RWT Threshold	\$200.00	RWT No IRD and over RWT Threshold	21.50%
NRWT	15.00%	RWT No IRD	.00%

Trial Distribution Report	
Trust	Kopuhaia2
Estimate As At	19-May-2021
Dividend Per Share	\$200.00
Dividend Date	19-May-2021
Total Shareholders	6
Total Shares	8.620975
Allocation Summary	
Balance B/Fwd	\$0.00
Dividend Gross	\$1,412.10
MAC	-\$212.10
RWT - No IRD	-\$104.24
RWT (insufficient MAC)	\$0.00
NRWT	-\$30.00
Putea	\$0.00
Cheques (Count)	0
Cheques	\$0.00
All Direct Credits (Count)	6
All Direct Credits	\$1,066.00
Dividend Net	\$1,065.76
Balance (unclaimed)	\$0.00

Step 6: Click Distribute

Tax

MA Credit Rate - Base	17.50%	Credit Availability Rate	17.50%
RWT Threshold	\$200.00	RWT No IRD and over RWT Threshold	21.50%
NRWT	15.00%	RWT No IRD	.00%

Update Rates

to CSV Trial **Distribute** Close

Decd

☐

☐

Distribution/Grant X

Completed \$1,412.10

OK

Step 7: Review distribution report

The report will automatically produce after the grant distribution has completed.

Depending on the time that has elapsed between the Trial Distribution Report and this report, the totals should be almost the same.

Distribution and Tax (MAC)												
Kopuhaia2												
NUMBER	NAME	DATE OF PAYMENT	DISTRIBUTION TYPE	IRD NUMBER	SHARE HOLDING	DIVIDEND RATE	GROSS DIVIDEND	MAORI AUTHORITY CREDIT	RWT	NRWT	PUTEA	NET DIVIDEND
2	Alia Schaden	19/05/2021	Grant	111-111-111	1.224191	\$163.37	\$200.00	\$0.00	\$0.00	-\$30.00	\$0.00	\$170.00
10	Ada Hodkiewicz	19/05/2021	Grant	111-111-111	0	\$0.00	\$242.42	-\$42.42	\$0.00	\$0.00	\$0.00	\$200.00
60	Alexandro Zemlak	19/05/2021	Grant	111-111-111	0.095679	\$2,533.68	\$242.42	-\$42.42	-\$52.12	\$0.00	\$0.00	\$147.88
65	Aida Durgan	19/05/2021	Grant	111-111-111	6.27598	\$38.63	\$242.42	-\$42.42	\$0.00	\$0.00	\$0.00	\$200.00
102	Aida Beier	19/05/2021	Grant	111-111-111	0.205025	\$1,182.39	\$242.42	-\$42.42	-\$52.12	\$0.00	\$0.00	\$147.88
109	Alvera Rau	19/05/2021	Grant	111-111-111	0.8201	\$295.60	\$242.42	-\$42.42	\$0.00	\$0.00	\$0.00	\$200.00
Total Shareholders:					6							
Total Shareholdings:					8.620975							
Total Gross Dividend:					\$1,412.10							
Total MAC:					-\$212.10							
Total RWT:					-\$104.24							
Total NRWT:					-\$30.00							
Total Putea:					\$0.00							
Total Net Dividend:					\$1,065.76							

Step 8: Check transactions

The grant distribution financial transactions are similar to the normal distribution, with minor differences in the comments.

102 Aida Beier						
Shareholder Info Financial Transactions Share Transactions Reference Misc						
Select Trust Group: All		Select Trust: All				
Date	Transaction	Comments	Reconciled	Trust Code	Amount	Balance
						Balance \$147.88
19-May-2021	Dividend Tax	Resident Withholding Tax @ 21.5% (No IRD Number and over \$200.00)		Kopuhaia2	-\$52.12	\$147.88
19-May-2021	Maori Authority Tax Credit			Kopuhaia2	-\$42.42	\$200.00
19-May-2021	Distribution - Gross Amount	Rate: 200.00, Grant, Includes Maori Authority Tax Credits: \$42.42 at 17.5%		Kopuhaia2	\$242.42	\$242.42

Step 9: Process payments

Process the payments the same way as they are done for the normal distribution.

Easy.