



THE ELECTRICIAN'S TALE

How Industry Partnership took a load off Dave's mind

“Is there a discount for cash?” asked Mrs Jones, as Dave began packing away his tools.

“Indeed there is,” smiled Dave. “If you pay cash, I don't need to charge GST”.

Dave backed his van down the drive, leaving Mrs Jones congratulating herself on her negotiating skills. For ages she'd wanted security lights at her home, and she'd finally got the job done. She'd asked for three quotes and Dave was by far the cheapest. Now she had peace of mind – and at the best price.



Driving home, Dave thought back over the past week. His cash jobs, which he did in his own time, were increasing, and were a welcome addition to his low salary at the electrical store. The best thing he ever did was take out those ads in the Yellow Pages and the local rag.

“I deserve a beer,” he thought and pulled into the local pub. Dave hoped to bump into Jim, who he’d gone through polytech with. Unlike Dave, Jim had always worked as a self-employed electrician.

Dave found Jim at one of the tables.

“How’s it going?” asked Dave, taking a seat next to his friend.

“Don’t ask,” growled Jim. “The last few months have been really tough. There are so many cash cowboys out there undercutting me. Only this week I missed out on a security light installation because some guy turned in a ridiculously low quote. There’s no way an honest business can compete with people who work under the table.”

“Yes, that’s rough,” said Dave, hoping his face didn’t betray him.

“You’re not getting him started on his favourite subject, are you?” Dave turned and saw that Jim’s business partner, Hiwi had joined them. “What gets me, is these guys don’t think there’s anything wrong with evading tax. But tell that to my dad, who’s been waiting six months for his heart operation.”

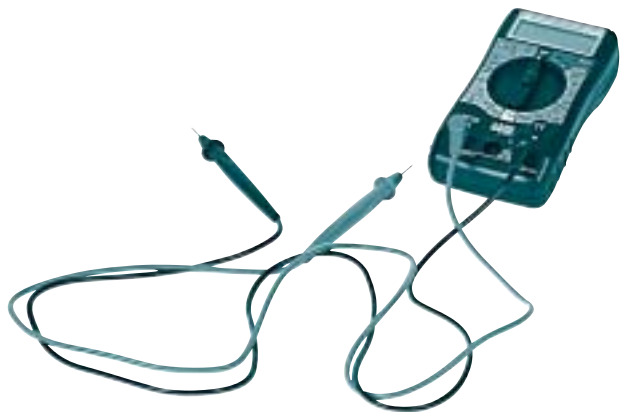
Dave's cellphone rang. It was Mrs Jones. "One of my lights isn't working. When can you come and fix it?"

"I'm pretty well booked for the next few weeks," said Dave, speaking as quietly as he could. "I'll try to get to you as soon as I can."

"These cowboys are giving the industry a hammering," said Jim. "They do shoddy work and the customer has no comeback because there's no paperwork. You should hear the complaints coming through at our local association."

"But you must admit Inland Revenue's Industry Partnership team are onto it," said Hiwi. "They're helping people with their taxes and even giving these cowboys the opportunity of a fresh start. Of course, if people refuse to take the hint, there's a good chance they'll get nicked. Apparently Inland Revenue uses all sorts of information, like the Yellow Pages, to uncover these guys."

As Dave left the pub, he was deep in thought. He never knew that his cash jobs had such a negative effect on the community, his industry, and his mates. And if he was honest, he'd always had a nagging feeling that one day he'd get caught. He decided to give the Industry Partnership team a call.



One year later

Dave gave his cashbook the once-over before locking the door to his new business premises. It was amazing how his business had taken off, now that it was all out in the open. He'd quit his job at the electrical store and was doing what he'd always wanted to do – work for himself. Maria, the Industry Partnership person he'd been dealing with, helped him with his paperwork and taught him what he needed to know about tax. This gave him the confidence to go out on his own.

Dave had always worried that “coming clean” with his taxes would pretty much make him go broke. But because he'd come forward before Inland Revenue contacted him, he qualified for a reduction of 75% on the shortfall penalties. Maria also put him on a manageable instalment plan so he could pay off his debts over time.

Industry Partnership had certainly taken a load off his mind.

As Dave got into the car, the phone rang. “It's Jim, mate. Have you given any more thought to going into partnership with Hiwi and me?”



Inland Revenue
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