

## THE 2018 EDITION OF NZ BOOK TOKENS



Available Now!

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## How Tokens Work

### Ordering Tokens

Tokens can be ordered directly through our website Members Shop (accessed via the Member Services tab), or through a token order form, downloadable on Member Resources. Email order forms to [tokens@booksellers.co.nz](mailto:tokens@booksellers.co.nz). Members get a 20% discount on the face value of tokens when ordering.

Tokens are sold in books of 10, except for \$50 Book tokens which are sold in books of 5, and \$100 Book Tokens which are sold individually. Member stores can only order in these quantities, and if online must order via the Members Shop to get the correct discount.

We charge a 2.25% +GST administration fee on all token purchases, which we invoice separately at the end of each month.

You can also order Token Covers (10 Pack for \$4 +GST) and Exchange Cards (100 Pack for \$9+GST) from us while ordering tokens, via the shop. Token orders over \$750 get a free pack of Token Covers, sponsored by Book Tokens Ltd. Please remember to request these if you need them!

### Redeeming Tokens

To validate a redeemed token in your bookstore, stamp the back of it, under 'Redeeming Bookstore'. Once the month is at an end, fill out the Token Redemption form listing all received that month. We redeem tokens for 80% of the value of the token, less the 2.25% admin fee which comes off the 80% value.

There is no admin fee charged on redemption of tokens purchased before 1 April 2012.

There are two sections on the redemption form, Tokens purchased before 1 April 2012 and Tokens Purchased after 1 April 2012. The redemption form is available at any time for download from the Member Resources tab on the website, near the top.

Most of the tokens will be from after 1 April 2012, but any that do not have an expiry date are from prior to this. These tokens can still be redeemed at any time, you do not need to phone us about them.

Note: If you do redeem a token that is past its expiry date, we will still process it as usual from our end.

## **Other things to remember**

### **EXCEPTIONS**

Booksellers Tokens can be used to pay for anything except the named exceptions written on tokens: Lotto, lottery tickets, tobacco, postage stamps and goods sold by other agencies. Booksellers Tokens are financially secured via a fund that has enough money to pay out all Tokens in circulation at any one time.

### **GST ON BOOKSELLERS TOKENS**

**Purchases from Book Tokens (NZ) Ltd** – GST is charged on the administration fee only for purchases of Booksellers Tokens. The GST component may be reclaimed as input tax and the tax invoice from Book Tokens (NZ) Ltd must be retained.

**Accepting Booksellers Tokens** – When a customer uses a \$10 Booksellers Token to purchase a book costing \$10 or more, the price is tax inclusive, and no further GST is payable. The value of the token must be included in the total sales for the purpose of working out the GST as per the IRD's requirements. That is, redeemed tokens must be rung up as cash (or separately recorded) as part of your standard accounting practice.

**Selling Booksellers Tokens** – Because no GST is charged on the sale of a Booksellers Token, the transaction should not be recorded as a sale but should be analysed separately on the cash register, eg. by using your system for "received on account" transactions. That is, the token sale is rung up using the RA button on the cash register. Retail staff should be carefully instructed, particularly on how to deal with purchases involving tokens and other items.

There is a longer version of this document that can be accessed via Member Resources under Tokens): [https://www.booksellers.co.nz/sites/default/files/uploaded-content/field\\_f\\_content\\_file/booksellers\\_tokens\\_information\\_sheet\\_feb2017.pdf](https://www.booksellers.co.nz/sites/default/files/uploaded-content/field_f_content_file/booksellers_tokens_information_sheet_feb2017.pdf)