

## The Trans-Tasman Retirement Savings Portability scheme allows you to transfer your retirement savings between Australia and New Zealand when you move from one country to another.

If you have migrated from New Zealand to Australia, you can bring your KiwiSaver across the ditch with you and have all your retirement savings together in one account.

### Why transfer your KiwiSaver to Australia?

#### ✔ Save on admin fees and taxes

Having all your retirement savings together in one account means you'll only pay one set of administration fees.

Also, you'll save on taxes. When you leave New Zealand, the investment earnings in your KiwiSaver will be taxed at 28%. Transfer your KiwiSaver to Australia and they will be taxed at a flat rate of 15%. Over time, these savings add up.

#### ✔ Compound interest

Having all your retirement savings together in one place means you'll receive more compound interest than if they are left in separate accounts. Which means more money for your retirement.

#### ✔ Use your KiwiSaver towards the purchase of your first home in Australia

Even if you already own a home in New Zealand, you can still apply for the Australian First Home Super Saver (FHSS) scheme and use some of your KiwiSaver to purchase your first home in Australia. More important information provided on FHSS below.

### Can I transfer my KiwiSaver to any super fund?

The short answer is no. You can only transfer your KiwiSaver to an Australian Prudential Regulation Authority (APRA) super fund which accepts KiwiSaver transfers.

**First Super is one of only a handful** of superannuation funds in Australia which accepts KiwiSaver transfers.

Once your KiwiSaver is in Australia, you cannot transfer to another superannuation fund **unless that fund is an APRA KiwiSaver accepting fund**. It is not compulsory for an Australian superannuation fund to accept KiwiSaver transfers.

You **cannot** transfer to an SMSF as SMSF's are regulated by the ATO and not APRA.

If you migrate back to New Zealand, you can transfer both your KiwiSaver and Australian superannuation components to a KiwiSaver fund of your choice.

#### **i** Important

- when you transfer your KiwiSaver to Australia you must transfer the whole balance.
- your KiwiSaver transfer will be converted to Australian dollars, so it is important you are aware of current exchange rates.
- in Australia your KiwiSaver transfer is considered an after-tax (non-concessional) contribution.
- there's a cap on after-tax contributions which currently is AUD \$120,000 per annum. However, you may transfer up to AUD \$360,000 in one move under the Bring Forward rule.
- the Bring Forward rule allows you to make up three years' worth of after-tax contributions in a single year. Note it limits the amount of after-tax contributions you make in the subsequent three years.
- if you exceed the cap, you'll be liable to pay excess contributions tax.
- once your KiwiSaver has transferred to Australia it is tagged. The tag allows super funds to identify the KiwiSaver component in your super account. The tag will remain with your KiwiSaver transfer even if you decide to transfer to another KiwiSaver accepting fund.
- the balance of your KiwiSaver transfer is subject to New Zealand laws.

Full details of the Trans-Tasman portability of retirement savings can be found at [The Australian Government Treasury website](#).

## KiwiSaver transfers to First Super

First Super is an award-winning KiwiSaver accepting fund. You can have both your KiwiSaver and your superannuation in the one account.

You can grow your retirement savings through Super Guarantee (SG) contributions you receive from your employer and through any extra voluntary contributions you choose to make.

We have a range of investment options to suit your retirement goals and level of investment risk.

### Fees

We do not charge KiwiSaver transfer or exit fees. Like all super funds, we charge administration fees for managing your account.

However, your KiwiSaver provider may charge transfer fees. So, it's important to check with them before you start the KiwiSaver transfer process.

### Foreign exchange rates

It's important to note foreign exchange rates and fees apply. We use the currency exchange rate from NZD to AUD on the day we receive the funds. Exchange rates change daily. We use wholesale foreign exchange which provides more favourable rates than retail. A small fee of up to \$15 is charged for processing foreign exchange.

## Four simple steps to transfer your KiwiSaver to First Super.

To transfer your KiwiSaver across to First Super, you need to:



### Step 1 – Join First Super online

- you will need your Australian Tax File Number (TFN)<sup>1</sup>
- it takes less than 5 minutes to join
- you'll immediately receive your Member Number.



### Step 2 – Contact us

- contact us to obtain a KiwiSaver Acceptance Letter (KSAL)
- we will need your First Super Member number to provide you with the KSAL.



### Step 3 – Contact your KiwiSaver fund

- contact your KiwiSaver fund and request the 'Trans-Tasman Portability Approval' form and any other documents they require you to complete for the KiwiSaver transfer process
- complete and sign the forms and send them back to your KiwiSaver fund along with the KSAL
- contact your KiwiSaver fund to ensure they have everything they need for the KiwiSaver transfer.



### Step 4 – Confirmation

- you'll receive a confirmation letter from us once your KiwiSaver transfer is in your account.

### Need help?

If you need help at any point during the process, contact us. We can help.

<sup>1</sup> If you don't have an Australian Tax File Number you can apply for one through the Australian Taxation Office (ATO) website.

## How long will the KiwiSaver transfer process take?

It usually takes between 4-6 weeks from when your KiwiSaver fund receives all the correct documentation.

What to expect:

- your KiwiSaver fund will process your KiwiSaver transfer. They will send you a notification once they have sent your transfer to First Super.
- your KiwiSaver transfer will arrive in Australia and be converted into Australian dollars. It will then be allocated to your account. This takes a few days. Investment earnings will be back dated to the date on which our bank receives your KiwiSaver transfer.
- we will send you a confirmation letter when your KiwiSaver transfer is in your account. Your KiwiSaver balance will be in Australian dollars.

## When can I access my KiwiSaver and superannuation?

In your superannuation account, you will have your KiwiSaver transfer component and your Superannuation component. Both are subject to different laws.

### KiwiSaver transfer component

KiwiSaver component in Australia are subject to current New Zealand government regulations. You can access your KiwiSaver transfer component when you reach the age of 65.

### Superannuation component

Investment earnings made from your KiwiSaver transfer component will be in Australian dollars and allocated to your superannuation component in your account. Earnings on investments are subject to Australian rules. You can access these and any super contributions made to your super when:

- when you turn 60 and are fully retired
- you may have limited access through a Transition to Retirement account between age 60 – 65
- when you turn 65, whether you are still working or not.

Your superannuation is for retirement, but you may be able to access your super earlier on compassionate and other hardship grounds. This is subject to eligibility and Australian government regulations.

## KiwiSaver transfers and tax

KiwiSaver transfers to an Australian super fund are not tax deductible as a personal contribution.

KiwiSaver transfers are not eligible for super co-contributions or a spouse contribution tax offset.

When fully retired at 60 or older, you can receive a regular tax-free income with First Super's Retirement Income account.

## First Home Super Saver (FHSS) scheme

Even if you have a property in New Zealand, you can still apply for the FHSS.

You can use your KiwiSaver and any personal voluntary contributions (before or after-tax) towards the FHSS. You cannot use SG contributions made by your employer.

### How much you can access?

The most you can access from your super is AUD \$15,000 in any one financial year. You can access up to \$50,000 per person over several years.

If you are a couple and save AUD \$15,000 each financial year for several years, you could access a combined amount of AUD \$100,000.

### Using KiwiSaver for FHSS

The most you can use from your KiwiSaver component is up to AUD \$15,000 per person. If you are a couple migrating from New Zealand, together you could use up to AUD \$30,000 from each of your KiwiSaver components.

If you want to access the full amount of AUD \$50,000 you will need to make additional voluntary contributions to your super (up to AUD \$15,000 per annum over several years).

### The ATO manages all FHSS applications

The decision about whether your savings (KiwiSaver and or voluntary contributions) are eligible for the FHSS scheme rests with the Australian Tax Office (ATO). First Super can't make this decision or provide any advice as to whether or not you can access the FHSS Scheme with money transferred from a KiwiSaver scheme.

### How and when to apply

You apply for FHSS through myGov portal. If your application is successful, the ATO will provide you with a determination.

**You must apply for and receive a FHSS determination with the ATO before signing any contracts for your first home.**

If you sign contracts before receiving a FHSS determination from the ATO you will not be eligible for the FHSS.

Visit the ATO website for more information on FHSS scheme or call our Member Services team: **1300 360 988**.

## If you leave your New Zealand savings in your KiwiSaver scheme

When you move to Australia, you can leave your New Zealand retirement savings in your KiwiSaver scheme. However, any contributions you make to your KiwiSaver account while living in Australia will not be eligible for member tax credits in New Zealand.

## Transfers to New Zealand

### If you move back to New Zealand

If you move back permanently to New Zealand, you can transfer all your retirement savings back to New Zealand too. There are no limits to how much you can transfer from an Australian super fund to a New Zealand KiwiSaver scheme. However, you must transfer the whole balance of your Australian super fund account.

You will need a New Zealand Inland Revenue Department (IRD) number to transfer your retirement savings to a KiwiSaver scheme.

Check with your fund and KiwiSaver scheme to see if they will charge any fees for transferring or accepting funds on your behalf.

To transfer funds from your Australian super fund to a KiwiSaver scheme, you must:

- have permanently emigrated to New Zealand – you need to sign a statutory declaration stating this is the case, and provide proof of residence at an address in New Zealand\*
- request the whole balance of your super savings be transferred to a KiwiSaver scheme
- have a KiwiSaver scheme ready to receive the transferred funds and ensured the KiwiSaver scheme is going to accept your Australian transfer.

\* You can use a statutory declaration, declared and witnessed in New Zealand, to prove you have permanently emigrated to New Zealand.

### Rules for transfers to New Zealand

Once your Australian super fund savings are transferred to your KiwiSaver scheme, they are generally subject to New Zealand's retirement savings rules.

Some rules apply only to money transferred from an Australian super fund to a KiwiSaver scheme, for example it:

- can only be transferred from complying super funds regulated by APRA
- can't be used to purchase your first home
- can't be moved to a third country
- can be accessed when the member reaches 60 years old and satisfies the Australian definition of retirement.

### If you move back to Australia after living in New Zealand

Visit [ato.gov.au](http://ato.gov.au) for more information on how to transfer back any Australian portions of your retirement savings.

### Transfer to New Zealand checklist

**For First Super to roll out your account balance to KiwiSaver scheme, we need all of the following to complete your request.**

- Your original application requesting the transfer of balance to your KiwiSaver scheme. Contact us for the application form
- Certified copies of two forms of identification (e.g. drivers licence, passport, etc.)
- Formal proof of residency in New Zealand (e.g. a statutory declaration confirming your address, a rates notice, tax assessment notice, or social security notice)
- The name of your KiwiSaver scheme and a compliance letter stating it is a registered KiwiSaver product and can accept the funds transfer
- The postal address of the KiwiSaver scheme and its registration number
- Your Inland Revenue Department Number
- Your KiwiSaver account number.

After we receive all of the above documents and information, we can go ahead with processing your request.

## We're here to help, so let's talk

If you would like to discuss a KiwiSaver transfer, or have any other questions about your super, please contact our Member Services Team today



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The material contained in this bulletin is accurate and reliable as at July 2024.

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