

You can find out more about KiwiSaver by going to **[www.kiwisaver.govt.nz](http://www.kiwisaver.govt.nz)**

The Retirement Commission provides free independent information about money matters including KiwiSaver. To help you decide whether KiwiSaver is right for you, go to **[www.sorted.org.nz](http://www.sorted.org.nz)**

## Introducing KiwiSaver

All details correct at time of printing, May 2007.

[newzealand.govt.nz](http://newzealand.govt.nz)

**[www.kiwisaver.govt.nz](http://www.kiwisaver.govt.nz)**



This leaflet provides you with an outline of KiwiSaver. It's a good idea to visit [www.kiwisaver.govt.nz](http://www.kiwisaver.govt.nz) to find out more.

## What is KiwiSaver?

KiwiSaver is a voluntary work-based savings initiative starting on 1 July 2007 that makes it easier for you to save for your future.

KiwiSaver makes it easier to save because money is put into a KiwiSaver scheme from your weekly, fortnightly or monthly pay.

Each payday you'll make a contribution at a rate of 4% of your gross salary or wages. Or you can opt for a higher rate of 8%.

Your money is invested in a KiwiSaver savings scheme. You can access your savings when you qualify for New Zealand Super (currently 65) or after five years membership, whichever is later.

## KiwiSaver membership benefits

KiwiSaver gets you into the 'savings habit', and helps you prepare for your future. To help you save, the government will also give an upfront kick-start of \$1,000, a member tax credit of up to \$1,042.86 a year, and a regular fee subsidy to help cover the fees charged by your scheme provider.

After you've contributed to KiwiSaver for three years you can choose to withdraw your savings (excluding the \$1,000 government contribution and member tax credits) to put towards buying your first home. If you qualify, you may also be entitled to a first home deposit subsidy paid by Housing New Zealand Corporation. Go to [www.hnzc.govt.nz](http://www.hnzc.govt.nz) for more information about eligibility criteria.

After 12 months, you have the flexibility to take a break from savings by taking a 'contributions holiday' of between three months and five years. There's no limit to the number of 'contributions holidays' you can take.

## What is a scheme provider?

Scheme providers are the financial organisations that will be offering registered KiwiSaver schemes.

There are a wide range of schemes for you to choose from. These schemes will offer different investment types from conservative – low risk and lower return – to higher risk funds with a potentially higher return.

You'll receive an annual summary from your scheme provider to show you how your investment is doing.

## Who can join KiwiSaver?

You can join KiwiSaver if you're a New Zealand citizen, or are entitled to live in New Zealand indefinitely. You must also be below the NZ Super age.

## How to join KiwiSaver

If you're eligible, you'll be automatically enrolled when you start a new job, unless your employer has an approved alternative superannuation scheme.

If you're being automatically enrolled you have eight weeks to decide if you want to remain a KiwiSaver member or opt out.

You can choose to join if you're already in a job. Simply ask your employer for an information pack and fill in the form in the pack. Alternatively, if you know which KiwiSaver scheme you would like to join, contact the scheme provider directly.

If you're self-employed, you'll need to choose a scheme provider and apply directly. You and your provider will need to decide what your contribution rate will be.

If you're not working, receiving a benefit or under the age of 18, you may also be able to join KiwiSaver. To do this, choose a scheme provider and apply directly.