

## The Trans-Tasman Retirement Savings Portability Scheme for individuals

Since 1 July 2013, people have had the option of transferring retirement savings between Australia and New Zealand after emigrating from one country to the other under the Trans-Tasman Retirement Savings Portability Scheme.

The portability arrangements allow a person who has retirement savings in both Australia and New Zealand to consolidate their savings into one account in their current country of residence. Regardless of which country the funds are being transferred to/from, the whole amount of your KiwiSaver account or Australian super account must be transferred.

### TRANSFERRING YOUR KIWISAVER SAVINGS TO FIRST SUPER

If you have moved to live permanently in Australia, or are planning to do so, you have the option to combine your KiwiSaver scheme savings into your Australian super account.

First Super is one of the few Australian super funds that can accept a transfer of KiwiSaver scheme savings. We can accept both your KiwiSaver scheme transfer to your First Super account AND your Super Guarantee Contributions from your Australian employer.

First Super does not charge a fee for accepting your KiwiSaver savings into your First Super account.

You may only transfer retirement savings between a complying super fund regulated by the Australian Prudential Regulation Authority (APRA) and a New Zealand KiwiSaver scheme. First Super is a complying super fund.

#### Important

You must transfer the entire balance of your KiwiSaver when you transfer to an Australian fund. Under current rules, if your total Australian super balance exceeds \$1.6 million, you will be unable to transfer your KiwiSaver to Australia.

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

- > Be or become a First Super member\*
- > Have an Australian Tax File Number (TFN)\*\*
- > Have left New Zealand and permanently reside (live) in Australia
- > Transfer the full balance of your KiwiSaver scheme account
- > Contact your KiwiSaver fund to obtain a 'Trans-Tasman Portability Approval' form and check on any other of its requirements for transferring to an Australian complying super fund (your First Super account)
- > Send the 'Trans-Tasman Portability Approval' form to First Super for our administrators for processing.

\*If you're not a First Super member already, you will need to join First Super to get your member number before starting the transfer. You can start the joining process through our website – [firstsuper.com.au/join](https://firstsuper.com.au/join) – or call our Member Services Team on **1300 360 988**.

\*\*If you don't have an Australian Tax File Number yet, you can apply for one from the Australian Taxation Office (ATO) at [iar.ato.gov.au](https://iar.ato.gov.au) or phone **13 28 61**.

## When the transfer is completed

Once First Super receives your 'Trans-Tasman Portability Approval' form and the transfer of your KiwiSaver scheme savings is completed, we will send you a letter to confirm:

- > that we received the roll-in,
- > the date we received the funds, and
- > the total funds received from your KiwiSaver account.

## RULES FOR KIWISAVER TRANSFERS TO AUSTRALIA

You may only transfer retirement savings between a complying super fund regulated by the Australian Prudential Regulation Authority (APRA) and a New Zealand KiwiSaver scheme. First Super is a complying super fund.

You must transfer the entire balance of your KiwiSaver account when you transfer to an Australian fund. Under current rules, if your total Australian super balance is above \$1.6 million, you won't be able to transfer your KiwiSaver balance to Australia.

## Limits to how much you can transfer

The limit on how much you can transfer from a KiwiSaver scheme to an Australian super fund depends on your non-concessional contributions cap. This is currently \$100,000 for the 2018/19 year or \$300,000 if you are under age 65 by triggering the bring-forward rule. There are limits on this if you have more than \$1.4 million in super.

First Super will treat your contributions as non-concessional (personal) contributions. So they will be subject to the non-concessional contributions cap. If you exceed the cap, you will be liable for excess contributions tax.

## Rules for the transferred funds

Once your KiwiSaver scheme savings are transferred to your Australian super fund, they are generally subject to Australia's superannuation rules.

Some rules apply only to the money transferred from a KiwiSaver scheme and held in an Australian super fund, for example:

- > it can only be transferred to, and held in, a complying super fund regulated by the Australian Prudential Regulation Authority (APRA)
- > it cannot be transferred to a self-managed super fund
- > it cannot be transferred to a third country
- > the KiwiSaver portion of the account must remain with First Super and can be accessed only when the member reaches New Zealand's retirement age (currently age 65).

## ACCESSING YOUR RETIREMENT SAVINGS IN AUSTRALIA

The retirement savings you transfer to Australia from New Zealand are held in your super account in two parts:

- > the New Zealand-sourced component
- > the Australian-sourced component.

To access the Australian-sourced component, you will need to meet one of the 'conditions of release', of which the most common is reaching your preservation age.

The most common conditions of release for paying benefits are that the member:

- > has reached their preservation age and retires
- > has reached their preservation age and begins a transition-to-retirement income stream
- > finishes employment on or after the age of 60
- > is 65 years of age (even if they haven't retired).

To access the New Zealand-sourced component of your super account, you will need to reach the New Zealand age of retirement (currently 65).

Any investment earnings on these KiwiSaver funds, plus the contributions made while in Australia, will be subject to all Australian rules regarding access to your super savings.

The way in which you can access your super depends on whether or not you retire when you reach preservation age. If you retire, you have full access to your super. If you don't retire at preservation age, you can access your super in the form of a Transition to Retirement Pension.

You will have full access to your super account when you reach the age of 65, regardless of whether or not you are still working.

### What is 'preservation age'?

You can access your super when you reach your preservation age, which varies depending on when you were born.

Date of birth	Preservation age
Before 1 July 1960	50
1 July 1960 to 30 June 1961	56
1 July 1961 to 30 June 1962	57
1 July 1962 to 30 June 1963	58
1 July 1963 to 30 June 1964	59
From 1 July 1964	60

## INCOME TAX AND KIWISAVER TRANSFERS

A transfer from a New Zealand KiwiSaver scheme to a participating Australian super fund is not taxed. You can also withdraw the funds tax-free from your super account once you're legally allowed to access them.

Any savings you transfer to an Australian super fund are not tax deductible as a personal contribution.

Transfers are not eligible personal contributions for the purpose of receiving the super co-contribution for low-income earners.

Transfers are also not eligible for a spouse contribution tax offset.

## KIWISAVER FUNDS AND THE FIRST HOME SUPER SAVER SCHEME (FHSS)

Certain KiwiSaver and other foreign fund transfer amounts are eligible contributions for calculating your maximum FHSS release amounts. For more information see the Australian Taxation Office's (ATO) *Guidance Note 2018/19 First home super saver scheme*.

Ultimately, the decision about whether your KiwiSaver savings are eligible for the FHSS Scheme rests with the ATO. First Super isn't able to 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.

## 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. Transferring your KiwiSaver account to an Australian super fund is totally up to you.

However, any contributions you make to your KiwiSaver account while living in Australia will not be eligible for member tax credits in New Zealand.

## IF YOU MOVE BACK TO NEW ZEALAND

If you move back permanently to New Zealand, you can transfer 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.

## TRANSFERRING YOUR FIRST SUPER BALANCE TO A KIWISAVER SCHEME

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.

### Transfer 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
- 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.

If you roll out to another Australian super fund that accepts KiwiSaver savings or to a New Zealand KiwiSaver scheme, First Super charges an exit fee of \$75.00.

### 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.

## ACCESSING YOUR RETIREMENT SAVINGS IN NEW ZEALAND

Retirement savings you transfer to New Zealand from Australia are held in your KiwiSaver in two parts:

- > the Australian-sourced component
- > the New Zealand-sourced component.

To access the Australian-sourced component, generally you will need to be 60 years old and satisfy the Australian definition of retirement. (See 'What is preservation age?' above.)

To access the New Zealand-sourced component, you will need to reach the New Zealand age of retirement (currently 65 years old).

## INCOME TAX

A transfer from a participating Australian super fund to a New Zealand KiwiSaver scheme is not taxed. You can also withdraw funds tax free from your KiwiSaver scheme once you are legally allowed to access them.

## AUSTRALIA TO NEW ZEALAND TRANSFER LIMITS

There are no limits on how much you can transfer from an Australian super fund to a KiwiSaver scheme.

However, you must transfer the whole balance of your Australian fund.

## MOVING BACK TO YOUR ORIGINAL COUNTRY

If you move back to your original country, you can transfer your savings back too.

If you're moving back to Australia, you need to provide a statement to your Australian super fund showing which components of your savings (Australian or New Zealand) were previously counted toward the Australian non-concessional contributions cap.

The statement also needs to show the different components (such as tax-free and taxable) of your retirement savings, so they retain that status when transferred back to Australia.

If you don't provide this statement, all your savings will be counted towards the non-concessional contributions cap and you may have to pay excess contributions tax. Also, all the components of your Australian-sourced savings will become taxable and you may be liable for additional tax.

## 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 on **1300 360 988**, or email us **mail@firstsuper.com.au**.



### Important information:

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