



Trans-tasman portability

Transfer of funds from an Australian Superannuation Scheme to a New Zealand KiwiSaver Scheme

Under the Trans-Tasman portability agreement between Australia and New Zealand, members of certain Australian superannuation schemes who have permanently emigrated to New Zealand may be able to transfer their savings to New Zealand KiwiSaver schemes who have agreed to accept these transfers. Aon KiwiSaver Scheme accepts these transfers.

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Here are a few things you need to know if you are considering transferring your Australian superannuation funds to New Zealand.

- You must have permanently emigrated to New Zealand and must be able to provide evidence of this. You'll also need to complete a statutory declaration and have it signed by someone authorised to take a statutory declaration.
- If you belong to an APRA regulated superannuation scheme, provided all necessary documentation has been submitted, your APRA regulated superannuation scheme is required to transfer your funds to a participating New Zealand KiwiSaver scheme. If you belong to an Australian superannuation scheme that is not APRA regulated, you will need to contact your provider to ask if they are willing to transfer your funds.
- Australian transferred funds can be accessed at age 60 provided you satisfy the Australian definition of retirement under the relevant Australian superannuation legislation.
- Australian transferred funds are not eligible to count towards member tax credits, and are not available for first home withdrawal. However, investment earnings on the transferred amount can be withdrawn to help with the purchase of your first home.
- Once you have transferred your Australian super to New Zealand you won't be able to transfer this money to a third country.
- It's your choice whether to transfer your funds from Australia when you permanently emigrate to New Zealand – we recommend you talk to your tax or financial adviser if you are unsure about what's right for you and your situation.

See how to request a transfer into the Aon KiwiSaver Scheme on page 2

How to request a transfer into the Aon KiwiSaver Scheme

To request a transfer of your Australian superannuation funds to the Aon KiwiSaver Scheme:

1. Contact your Australian superannuation scheme to find out their requirements and their process on how to apply for a transfer of your Australian superannuation funds to your KiwiSaver Scheme. If you have more than one Australian super account, you will need to contact each scheme. Complete the forms required by your Australian superannuation scheme and return them, along with any required documentation, so they can enable the transfer.
2. If you don't know who administers your Australian superannuation funds, you can check by logging in to your myGov account. For more information see our frequently asked questions section below.
3. Once we receive the money from your Australian superannuation scheme we may require you to complete an Anti-Money Laundering form.

If we receive a cheque from your Australian superannuation scheme the funds will be allocated to your Aon KiwiSaver Scheme account once the cheque has cleared. Funds will be cleared at the prevailing exchange rate and any reasonable transaction costs will be deducted from the funds transferred.

Currency movements can vary greatly over time and the impact of the exchange rate will have an effect on the value of your transferred balance. As such, any change in the conversion rate at the time of this transfer will be at your own risk.

There is no fee to transfer your Australian superannuation savings to the Aon KiwiSaver Scheme. However your Australian superannuation scheme may charge additional fees to arrange the transfer - please contact your Australian provider directly to find out what their charges will be.

We recommend that you seek independent personalised financial advice to assist you in making this decision as financial and personal circumstances differ from individual to individual.

Questions and answers

Why has retirement savings portability been implemented?

The New Zealand and Australian labour, financial, and goods and services markets are highly integrated by international standards. Retirement savings portability is part of the Single Economic Market work programme, which builds on our existing relationship and aims to reduce barriers that may impede the movement of people, trade and capital across the Tasman.

Retirement savings portability supports and adds to the degree of integration between the two countries by allowing New Zealanders and Australians to consolidate their financial affairs in their country of residence.

What kind of transfers are allowed under the portability arrangements?

Retirement savings transferred from Australia may only be transferred into KiwiSaver schemes in New Zealand. This means Australian savings cannot be transferred into any other private retirement funds (including complying superannuation funds).

How long will a transfer take?

Your Australian provider has 30 days to complete the transfer, starting from the date they receive all the information they need. To ensure that there are no delays please provide all the necessary documentation required by them.

If you have multiple Australian superannuation accounts, these payments will most likely arrive at different times.

Your Australian provider is required by law to provide you with confirmation within 30 days of the transfer. We will also send you a confirmation letter once your transfer from your Australian provider is complete.

What if I don't know who my Australian provider is?

You can check and manage your Australian superannuation savings logging in to your myGov account. If you don't have a myGov account you can create one at mygov.au.

From your myGov account you can:

See details of all your superannuation accounts, including any you have lost track of

Find Australian Tax Office (ATO) held superannuation. If the government, your super fund or your employer can't find an account to transfer your superannuation to, the ATO holds it on your behalf.

Which country's rules will apply to savings transferred between the two countries?

In general the rules of the host country scheme will apply. However there are certain differences that will be applied to transferred savings in order to protect the integrity of the respective schemes.

These differences apply only to the savings that are transferred, and not to any subsequent earnings on these transfers.

The key differences are set out in the table below:

New Zealand KiwiSaver funds transferred to Australia	Australian superannuation funds transferred to New Zealand
May not be accessed until the New Zealand age of retirement (65 years)	May not be accessed until age 60 and the individual satisfies the Australian definition of retirement at that age.
May not be transferred into Australian self-managed superannuation schemes	May not be used to assist with the purchase of a first home.
May not be transferred to a third country.	May not be transferred to a third country.

If I transfer savings from Australia, can I use those funds to put towards buying a first home?

As noted in the table above, funds transferred from Australia cannot be used to buy a first home. This is consistent with Australia's policy regarding superannuation funds. You can find more information on using your KiwiSaver money to buy your first home on the Housing New Zealand website hnzc.co.nz.

How will these different rules be applied to transferred savings?

Any savings transferred between the countries must be separately identified within an individual's retirement savings account.

If I transfer savings from Australia, can I withdraw these for reasons of significant financial hardship or on compassionate grounds, such as serious illness?

Australian savings transferred to New Zealand will be subject to New Zealand rules regarding hardship access. Likewise, New Zealand savings transferred to Australia will be subject to Australian rules regarding early access.

Do I have to transfer my savings if I move to Australia or vice versa?

No, the arrangements are voluntary.

Will New Zealand tax any transfers from Australia to New Zealand or vice versa?

No.

Further information

For more information on transferring funds contact us by calling 0800 266 463 or emailing aonkiwisaver@linkmarketservices.com.

You can also contact Inland Revenue on 0800 549 472.

Will Australia tax any transfers?

Australia will not specifically tax the transfer of retirement savings to or from New Zealand. However at the initial point of entry into the Australian superannuation system, transfers of New Zealand savings will be subject to Australia's rules regarding the taxation of retirement savings contributions greater than \$150,000 per annum. This is known as the non-concessional contributions cap.

For more information on this cap go to ato.gov.au/Individuals/Super/In-detail/Transfer-balance-cap/

Australian-sourced retirement savings, and any New Zealand-sourced retirement savings re-entering Australia, will be exempted from these rules upon re-entering the Australian superannuation system.

Is there a difference in the rate of tax on earnings between Australia and New Zealand?

Yes, Australia generally has a flat rate of 15% on earnings.

The New Zealand tax rate on superannuation earnings generally ranges from 10.5% to 28%.

There may be tax considerations if you move your Australian super to KiwiSaver. It's important you talk to your tax or financial adviser if you are unsure about what's right for you and your situation.



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