

Comparison between Australian Super and KiwiSaver

	Australian Super savings retained in Australian Super	Australian Super savings transferred to a KiwiSaver scheme	Investment earnings on Australian Super savings transferred to a KiwiSaver scheme
Access to funds at retirement	At preservation age if you meet the definition of retirement under relevant Australian superannuation legislation. At age 65 if you are still working.	At age 60 provided you meet the definition of retirement under relevant Australian superannuation legislation. Otherwise at age 65.	When you qualify for New Zealand Superannuation (currently at age 65), provided you have been a member of a KiwiSaver scheme or complying superannuation fund for at least five years.
Tax on withdrawals from Australian Super	None from age 60. Australian tax may be payable if withdrawals are permitted and made from Australian Super before 60.	No NZ tax payable	No NZ tax payable
Withdrawals for first home purchase	No	No	Yes
Withdrawals for significant financial hardship and serious illness	Yes, subject to criteria set out under relevant Australian superannuation legislation.	NZ rules apply	NZ rules apply

Tax Matters

Tax on transfers

Neither New Zealand or Australia will tax you on any transfers of lump sums from your Australian Super fund to a KiwiSaver scheme.

How is tax paid on investment earnings and on Super retained in Australia by New Zealanders?

It is important that you understand the differences between tax paid on Super investment earnings in Australia and New Zealand.

The Australian tax rules generally calculate tax at 15% on earnings within an Australian Super fund. Tax is payable on capital gains on investments at a rate of 10% if investments are held by the Australian Super fund for more than 12 months. Once you retire and use your super benefits to commence a super pension, no further Australian tax is payable on investment earnings within your Super fund.

Once you qualify to make withdrawals from Australian Super, tax is not payable on withdrawals made after 60 years of age. However, if you are under age 60, amounts withdrawn may attract tax.

At age 65 all withdrawals from your New Zealand KiwiSaver are tax free in your hands.

Tax rules can be complex and we recommend you seek tax advice before making a decision to transfer your assets.