KiwiSaver has changed since it started in 2007. The Member Tax Credit was reduced from NZ$1,042.86 to NZ$523.41 in 2011 and in May 2015, the NZ$1,000 kickstart for new KiwiSavers was removed.

In July this year, the Government proposed additional changes to address some of industry, the Commission for Financial Capability (CFFC) and consumer concerns. These included opening KiwiSaver up to the over 65s, adding a 6% and 10% employee contribution rate and restricting the newly termed ‘Savings Suspension’ (Contribution Holiday) from five years to one.

KiwiSaver is having a positive impact domestically, with around 60% of managed funds invested in New Zealand. The new investment driven by KiwiSaver means businesses have the potential to both raise exports, employment and have a greater positive effect on GDP.*

The CFFC, industry and Government have gone some way to improve consumers’ ability to save enough for retirement through KiwiSaver, understand the benefits through financial education and ensure transparency, but these research findings demonstrate there is still a long way to go to help and support New Zealanders shape their own futures.

KiwiSaver launched
Initial Employer Contribution Rates
(no tax on employer contributions)

1 JULY 2007

1 APRIL 2008
Planned 2% employee contributions at launch

1 APRIL 2009

Member contribution rates
were set at 4% by default.
Member could choose
a lower rate of 2%

1 APRIL 2010

Member tax credit reduced
from $1,042 per annum to $521
Planned 4% employee contributions at launch

1 APRIL 2011

Default contribution rate moved from 4%
to a capped rate of 2% for members
Government fee subsidy of $40 per annum removed
Employer tax credit discontinued for employers (originally paid by Govt to employers to offset costs of compulsory employer contributions)

1 APRIL 2013

Planned 3% employee contributions at launch

1 APRIL 2015

21 May 2015 (effective date)
$1,000 kick start removed

JULY 2018

Government fee subsidy of $40 per annum removed
Employer Superannuation Contribution Tax introduced for employer contributions
Proposals to open up KiwiSaver to over 65s, adding 6% and 10% employee contribution bands and one year savings holiday
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