



Kiwisaver- Information Sheet

Savings withdrawal to purchase your first home

- You may be able to withdraw some of your KiwiSaver savings (provided you leave a minimum balance of \$1,000 in your account) to put towards purchasing your first home.

Making a first-home withdrawal

- You must have been a KiwiSaver member for three or more years. You can only withdraw money to purchase your first home - not an investment property.
- If you have owned a home before, in some circumstances you may still be eligible to withdraw your savings. Your scheme provider may require you to contact Housing New Zealand to determine if you're in the same financial position as a first home buyer.

What can be withdrawn?

- If you're eligible, you may be able to withdraw some or all of your KiwiSaver savings to put towards purchasing your home.
- Effective 1 April 2015 and onwards your KiwiSaver withdrawal may include:
 - your members contributions
 - any employer contributions (voluntary and compulsory)
 - any returns on investment(s) received
 - any member tax credits.

Note:

- Prior to 1 April 2015, KiwiSaver members were unable to withdraw their MTCs when purchasing their home.
- Funds transferred from an Australian Complying Superannuation scheme cannot be withdrawn for the purchase of a home.

How to apply for a first-home withdrawal

- You'll need to apply to your KiwiSaver provider if you want to make a first home withdrawal. This may be your Bank in the first instance or other Provider. Your employer has this information.
- To get things started please call or email your KiwiSaver provider to confirm you are eligible to withdraw funds in the first instance.

Complying funds

- If you're a member of a complying fund and want to use your savings for your first home withdrawal you'll need to check with your provider to see if they offer this.

KiwiSaver HomeStart grant

- After 3 years of contributing to KiwiSaver, you may be entitled to a KiwiSaver HomeStart grant. The grants are administered by Housing New Zealand and will be paid to your solicitor.

What the grants are worth

- The two HomeStart grants are:
 - For purchasing an existing home, the grant is between \$3,000 and \$5,000 based on \$1,000 each year of KiwiSaver membership.
- For building or purchasing a new home, or for purchasing land to build a new home on, the grant is, in effect doubled to, \$2,000 per year of membership in the scheme, up to a maximum of \$10,000 for five years for each member.

There are maximum values of grants payable for the purchase of a single dwelling, regardless of the number of eligible purchasers:

- \$5,000 for the purchase of an older/existing property
- \$10,000 for the purchase of a new property.

Getting a KiwiSaver HomeStart grant

To be eligible for a KiwiSaver HomeStart grant you must:

- have been contributing the required minimum amount to KiwiSaver for at least three years
- be 18 years or over
- be purchasing or building your first home (see "Note" below)
- have a household income (before tax) of less than \$85,000 per year (for one person), or less than \$130,000 per year (for two or more people)
- have a deposit of at least 5% of the purchase price. This can include money from your Kiwisaver, First Home Grant or money you have saved in the bank.
- be planning to live in the house for at least 6 months from the settlement/completion of the property. Note: Income and house price caps will apply.

If you've owned a home before, in some circumstances you may still be eligible for a HomeStart grant. Housing New Zealand will need to determine that you are in the same financial position as a first home buyer.

To find out more, visit the Housing New Zealand website or call them on 0508 935 266.