

# KiwiSaver – a guide for children and young people

Use this factsheet to answer any questions you may have if you're thinking about signing your child up for KiwiSaver. Or if you're under 18 and would like to join.

KiwiSaver is a voluntary savings plan designed to make it easier for New Zealanders to save for retirement. Joining KiwiSaver is a big financial decision - once you've joined you cannot opt out. If you join KiwiSaver you make contributions (payments) to your KiwiSaver scheme (account) and you can take this money out when you reach the age of eligibility for NZ Super.

## There are benefits to joining

When you join KiwiSaver you have access to the following benefits, however some of these will not apply until you've turned 18.

### Government contribution

When you turn 16, the government may contribute up to \$260.72 each year to your KiwiSaver if you have a taxable income of \$180,000 or less annually.

### Employer contributions

If you're working your employer may make payments into your KiwiSaver when you turn 18. These payments are in addition to the contributions you make from your pay and are called compulsory employer contributions. Let your employer know when you turn 18 so they can start making these payments.

### Buying a first home

After being a member of KiwiSaver for 3 years you may be able to withdraw part of your savings to help you buy your first home.

If you've previously owned a home, you may still be eligible for the first home withdrawal if Kāinga Ora determines you're in the same financial position as a first-time buyer.

For more information go to the Kāinga Ora website [kaingaora.govt.nz](https://kaingaora.govt.nz)



## Who can join KiwiSaver

To be eligible to join KiwiSaver, you must:

- live, or normally live in New Zealand, and
- be a New Zealand citizen or entitled to stay in New Zealand indefinitely.

## How to join KiwiSaver

If you're under 18 you'll need to choose a scheme provider and apply direct to them. For a full list of scheme providers go to [ird.govt.nz/kiwisaver](https://ird.govt.nz/kiwisaver)

**Note:** If you're 16 or 17 and you'd like to join KiwiSaver, talk to the scheme provider you've chosen. They'll tell you if you can apply by yourself or if you need a parent or guardian to apply on your behalf. If you are under 16 one of your parents or guardians will need to complete the enrolment on your behalf.

## Making contributions

If you're a KiwiSaver member and working for salary or wages (even if it's a part-time job) your KiwiSaver contributions will be taken out of your pay before you receive it. You can decide if you contribute 3%, 4%, 6%, 8% or 10% of your pay.

You can change your contribution rate by using myIR or contacting your scheme provider, as well as directly through your employer(s).

You can only change your contribution rate once every 3 months, unless your employer agrees to a shorter timeframe.

You can find out more by reading our factsheet [Your introduction to KiwiSaver - employee information - KS3](#).

You need to provide any new employers with a [KiwiSaver deduction - KS2](#) form. This lets your employer know that you're a member and your contribution rate.

If you're not working for salary or wages, you and your scheme provider will work out the amount you contribute and the frequency of your contributions. Your contributions can be paid directly to your scheme provider or through us.

### Temporary rate reduction

From 1 February 2026, you'll be able to apply to Inland Revenue to temporarily reduce your KiwiSaver contribution rate to 3% from 1 April 2026 for between 3 and 12 months. You can do this as many times as needed.

This option is available if you're not ready to increase your contributions when the default rate rises to 3.5% on 1 April 2026.

If your employer is making employer contributions, they can also contribute at the reduced rate when you have a temporary rate reduction.

### Taking a savings suspension

If you're having deductions made from your salary or wages, as an employee, you can take a break from making contributions. This is called savings suspension and can be taken once you've been a member for 12 months. The savings suspension can last from 3 months to 12 months.

You can take a savings suspension in the first 12 months of being a member of KiwiSaver if you're experiencing financial hardship.

## Investing your savings in a KiwiSaver scheme

There's a wide range of schemes and investment funds to choose from. Before you choose a scheme you should research the ones you're interested in to find out how they'll invest your money.

The scheme provider's product disclosure statement explains how they'll invest your savings, the specific rules, fees, terms and conditions of the scheme. The product disclosure statement is an important document so make sure you read it carefully.

KiwiSaver is not guaranteed by the government. This means you invest in a KiwiSaver scheme at your own risk. KiwiSaver schemes are regulated by the Financial Markets Authority.

## Changing KiwiSaver schemes

You can change schemes at any time by applying to the scheme provider you want to change to. You can only belong to one KiwiSaver scheme at a time.

## Withdrawing your savings

Your KiwiSaver savings are "locked in" and normally cannot be withdrawn until you reach the age of retirement (currently 65). You may be able to withdraw part (or all) of your savings if you're:

- buying your first home
- moving overseas permanently
- suffering significant financial hardship
- seriously ill.

## Find out more about KiwiSaver

Inland Revenue cannot give you advice about whether you should join KiwiSaver or which scheme provider you should choose.

For help in making your decision, you can go to [sorted.org.nz](https://sorted.org.nz) this is the Commission for Financial Capability's website and it provides free, independent information about money matters, including KiwiSaver.

For more information about KiwiSaver, go to [ird.govt.nz/kiwisaver](https://ird.govt.nz/kiwisaver)



[ird.govt.nz](https://ird.govt.nz)

Go to our website for information and to use our services and tools.

- [Log in](#) or [register for myIR](#) - manage your tax and entitlements online.
- [Calculators and tools](#) - use our calculators, worksheets and tools, for example, to check your tax code, find filing and payment dates, calculate your student loan repayment.
- [Forms and guides](#) - download our forms and guides.

For free, independent information about money matters go to [sorted.org.nz](https://sorted.org.nz)



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