New Zealand Income Tax

my**super** Superannuation Scheme

This document provides additional information on how New Zealand (**NZ**) income tax will impact on your investments in my**super** Superannuation Scheme (**mysuper**). It should be read with the Product Disclosure Statement for my**super**, which is available at **mysuper.co.nz/disclose**

Interests in my**super** are issued by the Trustee of my**super**, Shamrock Superannuation Limited (**Shamrock**).

This document is based on Shamrock's understanding of NZ income tax legislation as it applies to my**super** and NZ-residents. Non-resident members should seek their own tax advice in their country of residence, including on tax treatment of payments or transfers from my**super**.

Tax legislation, its interpretation and the rates and bases of taxation are subject to change, and the application of tax laws depends on a member's individual circumstances. Shamrock does not accept any responsibility for the taxation implications of members investing in my**super**. Members are advised to consult their own qualified tax adviser.

my**super** is governed by the my**super** Trust Deed and the KiwiSaver Act 2006 (**KSA**) (amongst other laws). The provisions in the my**super** Trust Deed and the KSA prevail over anything to the contrary in any other document. The provisions of the my**super** Trust Deed and the KSA may change in the future.

Some terms used in this document are defined in the Trust Deed or the KSA.

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1. Income Tax on contributions to my**super**

Your regular contributions to my**super** are calculated as a percentage of your gross (before-tax) salary and are paid from your after-tax income through your employer's payroll system.

Employer contributions to my**super** are also calculated as a percentage of your gross (before-tax) salary. Employer Superannuation Contribution Tax (**ESCT**) is deducted from all employer contributions before they are paid through to my**super** at the following rates.

ESCT rate threshold amount [1]	Tax rate
$0 – $18,720	10.5%
$18,721 - $64,200	17.5%
$64,201 - $93,720	30%
$93,721 - $216,000	33%
$216,001 and over	39%

[1] The ESCT rate threshold amount comprises the total of your taxable earnings and the before-tax employer superannuation contributions made for your benefit in the previous income year (that is, the 12 months to the last 31 March). ESCT rates and the thresholds were updated by Te Tari Taake The Inland Revenue Department (IRD) on 1 April 2025 and may change in the future. If your current employer did not employ you for all of the previous income year, the above rates will be based on estimates of your expected taxable earnings and employer superannuation contributions for the current income year.

The rate of the ESCT deduction applicable to you will change if the government changes the rate of ESCT.

2. Investment earnings

my**super** is not a Portfolio Investment Entity (**PIE**) and pays income tax, under the Income Tax Act 2007 (**ITA**), on its assessable income, less deductible expenses, at the rate of 28%.

my**super** invests in various investment products. All are classified as PIEs in terms of the ITA. In general terms, the taxable income for the asset classes are as follows.

Asset Class	Tax payable on capital gains/losses	Tax payable on dividends and interest	Tax payable on deemed 5% return, per 'Fair Dividend Rate' method
New Zealand (**NZ**) equities	✗	✓	✗
Certain Australian equities[2]	✗	✓	✗
Global equities	✗	✗	✓
Cash and cash equivalents, fixed interest, currency hedges and other financial instruments	✓	✓	✗
In some circumstances currency hedges will be taxed on a deemed 5% return.			

[2] Must be listed on the Australian stock exchange (**ASX**) and meet certain technical criteria.

The residual income tax payable for each year, if any, is based on the total taxable income received by my**super**, the appropriate tax rate and the tax already paid through the existing investment products.

The tax paid for each investment fund is taken into account when calculating the interest rates applied to members' accounts. Because the tax has already been paid on the assessable investment income by my**super**, you should not declare any investment returns applied to your accounts if you need to prepare a personal income tax return.

FAIR DIVIDEND RATE METHOD

Inland Revenue expects the Fair Dividend Rate (**FDR**) method to be the primary method for calculating attributing interests in a Foreign Investment Fund (**FIF**). my**super**'s income on global shares is taxed using the FDR method.

The FDR method provides that my**super**'s global shares income will generally be taxed on 5% of the opening market value of all my**super**'s attributing interests in off-shore investments. However, this doesn't apply to fee rebates for off-shore holdings.

3. Income Protection benefit

If you have chosen the optional insurance offered through my**super**, the income protection benefit payments (if you make a claim and it is accepted) are not subject to NZ income tax.

As a result of the income protection benefit payments not being subject to NZ income tax, the corresponding premiums paid by members are not deductible either by my**super** or by a member through their personal tax return.

4. Tax on withdrawals from my**super**

As tax has already been calculated and collected on investment income, withdrawals made from my**super** are not subject to further NZ income tax.