

Commonly asked questions about KiwiSaver

How much did my KiwiSaver account make?

You will see your investment earnings or loss shown beneath the transaction section of your statement.

Why was my money held by Inland Revenue for three months when I joined KiwiSaver? Did I earn interest during that time?

When you are enrolled in KiwiSaver, you have three months to choose a scheme provider. This waiting time is also when you can opt out of KiwiSaver (between weeks two and eight). Your money earns interest while it is with Inland Revenue and this is credited to your KiwiSaver account.

How and when can I get my funds out?

Generally, you have to wait until you're over 65 or have been in KiwiSaver for five years or more (whichever is later). However, you may be able to withdraw money early in some circumstances. For example, first home purchase, serious illness, financial hardship or permanent emigration.

Commonly asked questions about PIE tax

What is a Prescribed Investor Rate?

The AMP KiwiSaver Scheme is taxed as a Portfolio Investment Entity (PIE). Your level of taxable income decides your Prescribed Investor Rate (PIR). The current PIRs are 10.5%, 17.5% and 28%. For more information on which PIR to use, please visit amp.co.nz/pie or contact your Adviser or Inland Revenue.

Do I have to do anything with my PIE Tax Statement?

For most people, a PIE Tax Statement is for information purposes only. However, if the PIR given to us was lower than it should have been for the tax year ended 31 March 2019, you'll need to include your PIE income in your income tax return.

What if my PIR was incorrect?

It is now too late to change your PIR if it was incorrect at 31 March 2019, as your tax has now been finalised and paid for the year. If your PIR needs to be updated, please log into My AMP at amp.co.nz/myamp or call us on **0800 267 5494**.

Please also refer to the information contained under the heading 'Check your PIR' on your PIE Tax Statement.

How do I know what my correct PIR is?

Your level of taxable income and PIE attributed income determines your PIR. We recommend you visit amp.co.nz/pie to work out which rate to use.

Why doesn't my taxable investment income or loss on my PIE Tax Statement match my investment earnings or loss, as shown on my annual statement?

Different tax rules apply to your scheme's underlying investments, so only some of your investment earnings or losses are taxed. PIE tax is calculated on the taxable portion of earnings or losses from your investment, not on any increase or decrease in its value. Even if the value of your investment has gone down, it may still have earned taxable income over the period that will be subject to PIE tax.

Your PIE Tax Statement shows the portion that is taxed as PIE taxable income or loss. Your annual statement will show your total investment earnings, whether these are taxed or not.

How do I calculate PIE tax payable or rebate?

We calculate your PIE tax payable or rebate for you based on your daily PIE taxable income. Your PIE tax payable or rebate is the sum of each day's PIE tax or rebate calculated.

When is PIE tax collected?

Tax is collected from you at the end of each tax year and at the time of full withdrawal, based on the year-to-date accrual. Tax may also be collected during the year if there is a risk you will have insufficient remaining balance to pay your year-to-date tax accrual. We will test this risk every month, as well as when you make withdrawals or update your PIR.

For more information on how tax is collected, please visit amp.co.nz/pie

Are my fees tax deductible?

All fees charged for membership and investment management are treated as tax deductible expenses. We collect your share of these fees by cancelling units in your fund(s). We then deduct these fees from your PIE taxable income to calculate your PIE tax liability. Tax deductible expenses are detailed in your PIE Tax Statement as a positive amount.

Why is my employer's contribution amount different when we both contribute at the same rate?

Member contributions are calculated as a percentage of your gross salary or wage and are deducted from your after tax pay. Your full contribution is deposited into your KiwiSaver account. Employer contributions are also based on a percentage of your gross pay but have Employer Superannuation Contribution Tax deducted before they are paid into your KiwiSaver account.

Glossary

Taxable investment income (or loss)

Taxable investment income is the taxable portion of your investment earnings or losses. You may have taxable investment income, even if your investment earnings have decreased.

Investment earnings (or loss)

Investment earnings are the movement in the unit price of your investment, written as a dollar value. If the unit price of an investment has decreased during the year, your investment earnings will be expressed as a negative dollar amount. If the unit price has increased, investment earnings will be positive.

Tax credits claimed

This represents credits for tax paid on underlying investments. For example, imputation credits attached to dividends received.

Units

As a member of the AMP KiwiSaver Scheme, your savings buy units in the fund you are invested in. Your KiwiSaver balance changes as the market value of the units rise and fall. This is calculated on a daily basis.

