



## Kids can join KiwiSaver too!

### You are never too young to become a KiwiSaver member.

KiwiSaver is a great way to save for your children's future. There's no minimum age to join, and while any savings will be locked in until your children qualify for New Zealand Superannuation (currently age 65), they may be able to access some of the money earlier in some circumstances, such as when buying a first home.

Children need an IRD number before joining – you can apply for one using an IR595 form from Inland Revenue.

Children under 16 years old may only be enrolled into KiwiSaver by their parents/guardians and may not enrol themselves.

Applications from 16 and 17 year olds must be co-signed by a parent or guardian, unless they have no parent or guardian. While they're under 18, children won't qualify for member tax credits.

### An early start works wonders

Starting to save early is a good financial habit to get into – relatively small amounts put aside regularly over a long term can, with compound returns, grow into a surprisingly significant lump-sum.

### What contributions are required?

If you are not receiving a salary or wages, you can decide the amount you wish to contribute or whether you wish to make any contributions at all. You can also decide how often you want to make any contributions. This applies to children as well.

### How are contributions made?

Contributions can be made through Inland Revenue using one of three methods:

1. Using the "Pay tax" option on your bank's internet banking facility
2. Paying over the counter at a Westpac branch
3. Sending a cheque to Inland Revenue

Relatives, such as parents or grandparents, can use any of these methods to make contributions to a child's KiwiSaver scheme account.

You may also be able to make contributions by direct debit or by using the bill payment facility on your bank's internet banking facility.

### What happens if an under-18 takes on a job?

KiwiSaver members who are under 18 years old must make contributions to their KiwiSaver account at a minimum rate of 3% when they start work, unless tax is not being deducted from their wages.

Under the current rules, it's possible to apply for a contributions holiday after being a KiwiSaver member for 12 months.

If under-18s are working, their employers do not have to make compulsory employer contributions to their KiwiSaver account.