MINISTRY OF BUSINESS, INNOVATION & EMPLOYMENT
HĪKINA WHAKATUTUKI

COVERSHEET

Minister	Hon Cameron Brewer	**Portfolio**	Commerce and Consumer Affairs
Title of Cabinet paper	KiwiSaver (First Home or Farm) Amendment Bill: Approval for Introduction	**Date to be published**	21 September 2026

List of documents that have been proactively released		
Date	**Title**	**Author**
August 2026	KiwiSaver (First Home or Farm) Amendment Bill: Approval for Introduction	Office of the Minister of Commerce and Consumer Affairs
20 August 2026	KiwiSaver (First Home or Farm) Amendment Bill: Approval for Introduction LEG-26-MIN-0165 Minute	Cabinet Office

Information redacted **NO**

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In Confidence

Office of the Minister of Commerce and Consumer Affairs

Cabinet Legislation Committee

KiwiSaver (First Home or Farm) Amendment Bill: Approval for Introduction

Proposal

1 This paper seeks approval for the introduction of the KiwiSaver (First Home or Farm) Amendment Bill (the Bill).

2 The Bill makes amendments to the KiwiSaver Act 2006, and consequential amendments to the KiwiSaver Regulations 2006.

3 The Bill holds a category 5 priority on the 2026 Legislation Programme.

Policy

4 On 16 February 2026, Cabinet agreed to amend the KiwiSaver Act 2006 to make two targeted adjustments to the first-home withdrawal settings to enable [CAB-25-MIN-0476 refers]:

4.1 KiwiSaver members to withdraw funds for the purchase of a first farm where the purchase is made through a commercial entity that is majority-owned by the member (alone or jointly), and provided the home is intended to be the member's principal place of residence; and

4.2 KiwiSaver members subject to a service tenancy (where the employer is also the member's landlord) to withdraw funds for the purchase of a first home without the requirement that the home be intended as the member's principal residence.

5 Cabinet agreed that legislative amendment was required to give effect to these changes.

Role of the KiwiSaver Act

6 The KiwiSaver Act 2006 establishes the statutory framework for New Zealand's voluntary, work-based retirement savings scheme. The Act sets the scheme's core purpose, establishes eligibility and enrolment settings, and prescribes when and how members may withdraw funds prior to retirement.

7 Eligible members may withdraw funds from the scheme prior to retirement age only in limited circumstances. These include withdrawal for the purchase of a first home, significant financial hardship, serious illness, or permanent emigration.

8 Current KiwiSaver settings enable early withdrawal of funds only if (amongst other eligibility requirements): the property is purchased in the member's name (either solely or jointly) and the member intends to make the property their principal residence. This creates a barrier for some members, particularly on farms and in rural communities, to access their KiwiSaver for first home purchases.

Overview of the Bill

9 The Bill implements Cabinet decisions by amending the KiwiSaver first-home withdrawal rules to create additional eligibility pathways for members who are currently unable to use their KiwiSaver funds for a first home purchase because of the ownership structure of farm land or because of service tenancy arrangements.

10 For first-farm purchases, the Bill:

10.1 Enables a KiwiSaver member to withdraw KiwiSaver funds to contribute to the purchase of farm land in the name of an "entity" or the trustees of a trust, provided the member has majority ownership or control interest in the entity or trust and intends to make the land their primary residence;

10.2 defines "entity" to include body corporates, limited partnerships or other partnerships, unincorporated joint ventures, and other unincorporated bodies of persons;

10.3 defines "farm land" and other key terms needed to apply the new withdrawal pathway; and

11 For service tenants, as defined in the Residential Tenancies Act 1986, the Bill removes the requirement in the first-home withdrawal settings that the land be intended as the member's principal place of residence. The land must be used, or intended to be used, for a dwellinghouse (residential home), or relate to an interest in a dwellinghouse on Māori land, as already defined in the KiwiSaver Act 2006.

12 To support these two policy changes, the Bill also:

12.1 amends the regulation-making powers in the KiwiSaver Act 2006 to align the qualifying person settings with the new withdrawal pathways; and

12.2 makes consequential amendments to the KiwiSaver Regulations 2006 to align the existing scheme rules with the new eligibility pathways.

Implementation considerations

13 It is possible that the definition of a service tenancy in the Residential Tenancies Act 1986 may not capture all farmers and farm workers. For example, sharemilkers must live on farm, but they are not technically employees and may not meet the service tenant definition. The use of the service tenancy definition also introduces some discrepancies between employees who are not provided employer-owned accommodation, but are instead provided with leased accommodation or housing subsidies.

14 I anticipate these definitional issues to be worked out during the Select Committee stage when further public input on the Bill is received.

15 Some operational matters were raised during targeted consultation, including how KiwiSaver scheme providers will apply eligibility criteria in practice. For farm land purchases by an entity or trust, the Bill responds to this by requiring the member's lawyer to certify that they have made reasonable inquiries and seen sufficient evidence that the member has the required ownership or control interest. This should reduce the need for providers to assess complex ownership and control arrangements directly. Remaining operational matters will be addressed through guidance developed in consultation with KiwiSaver scheme providers and the broader sector and do not affect the policy intent reflected in the Bill.

Regulatory analysis

16 A regulatory impact statement was prepared in accordance with the necessary requirements and was submitted when Cabinet approval of the policy relating to the Bill was sought [ECO-26-MIN-0008 refers]. A quality assurance panel of representatives from the Ministry of Business, Innovation and Employment reviewed the RIS and determined that it meets the quality assurance criteria. It has been published on the MBIE website.

Consistency with principles of responsible regulation

17 A Consistency Accountability Statement (CAS), Summary of Underpinning Analysis, and Ministerial Statement of Reasons have been prepared and are attached. The CAS identifies inconsistencies with four of the principles in Regulatory Standards Act 2025, reflecting the absence of public or targeted consultation prior to Cabinet policy decisions, weak alignment with the purpose of the KiwiSaver Act, and the introduction of inequities between KiwiSaver members.

Compliance

18 The Bill complies with:

18.1 the principles of the Treaty of Waitangi;

18.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;

18.3 the principles and guidelines set out in the Privacy Act 2020;

18.4 relevant international standards and obligations;

18.5 the Legislation Guidelines (2021 edition)

Consultation

19 Inland Revenue, Ministry of Justice, Ministry of Foreign Affairs and Trade, Ministry for Primary Industries, Office of the Privacy Commissioner, the Treasury, Ministry of Education, New Zealand Police, the New Zealand Defence Force, and the Financial Markets Authority have been consulted. The Department of Prime Minister and Cabinet has been informed.

Binding on the Crown

20 The Bill will bind the Crown.

Creating new agencies or amending law relating to existing agencies

21 The Bill does not create any new agencies or amend law relating to existing agencies.

Allocation of decision-making powers

22 The Bill does not involve the allocation of decision-making powers between the executive, the courts, or tribunals.

Associated regulations

23 No new regulations are required to bring the Bill into operation. Part 2 of the Bill makes a minor, technical amendment to the KiwiSaver Regulations 2006 to align the existing scheme rules with the new eligibility pathways.

Other instruments

24 The Bill does not include any provision empowering the making of other instruments that are deemed to be legislative instruments or disallowable instruments (or both).

Definition of Minister/department

25 The Bill does not contain or alter standard definitions of Minister, department, and chief executive.

Commencement of legislation

26 The Bill will come into force on the first anniversary of Royal assent. This allows sufficient time for KiwiSaver scheme providers, Inland Revenue, and the Ministry of Business, Innovation and Employment to update systems, operational processes and develop guidance following Royal assent.

Parliamentary stages

27 I intend to introduce the Bill on 25 August 2026.

28 I propose the Bill be referred to the Finance and Expenditure Committee.

Proactive Release

29 I intend to proactively release this paper within 30 business days, subject to any appropriate redactions under the Official Information Act 1982.

Recommendations

I recommend that the Cabinet Legislation Committee:

1 **note** that the KiwiSaver (First Home or Farm) Amendment Bill holds a category 5 priority on the 2026 Legislation Programme;

2 **note** that the Bill amends the KiwiSaver Act 2006 to enable:

2.1 KiwiSaver members to withdraw funds for the purchase of a first farm where the purchase is made through an entity or the trustees of a trust that is majority-owned by the member (alone or jointly), and provided the home will be the member’s principal place of residence; and

2.2 KiwiSaver members subject to a service tenancy (where the employer is the member’s landlord) to withdraw funds for the purchase of a first home without the requirement that the home being purchased be intended as the member’s principal residence;

3 **note** that the Consistency Accountability Statement for the Bill identifies inconsistencies with four of the principles of responsible regulation, and that a Statement of Reasons addressing the inconsistencies is attached;

4 **note** that there are some definitional issues that may need to be worked through at Select Committee stage to ensure the Bill gives effect to the policy intent;

Introduction and parliamentary stages

5 **approve** the KiwiSaver (First Home or Farm) Amendment Bill for introduction;

6 **agree** that the Bill be introduced on 25 August 2026;

7 **agree** that the government propose that the Bill be referred to the Finance and Expenditure Committee for consideration.

Authorised for lodgement

Hon Cameron Brewer

Minister of Commerce and Consumer Affairs