

## Country Profile

**NEW ZEALAND**  
2019



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Fidelity Life is New Zealand's largest Kiwi-owned and operated life insurer and the ANZIF 2017 and 2018 New Zealand Life Insurance Company of the Year. Their vision is to power the New Zealand sense of adventure.

Fidelity Life is in the business of paying claims. They support 300,000 customers and their families when they need it most and have paid more than \$1 billion in claims since they were founded in 1973.

Reinforcing the certainty Fidelity Life provides to its customers, the company has maintained its A- (Excellent) financial strength rating from A.M. Best for 23 consecutive years (refer to useful links for info on A.M Best scale).

Fidelity Life's experience in the group risk market goes back more than 30 years. They offer a comprehensive and innovative range of group risk products designed to meet the changing needs of employers and employees, including:

#### **Group Covers**

- Life (and terminal illness)
- Trauma (Lump Sum Payment for specified Trauma conditions)
- Income Protection (partial salary replacement if unable to work)
- Total and Permanent Disability
- Continuation option

#### **Retail Covers**

- Life
- Trauma
- Trauma Multi
- Income Protection
- Total and Permanent Disability
- Funeral Fund
- Golden Life Plan
- Business Expenses (cover for locum costs and a number of the fixed costs of keeping the business running)
- Mortgage Protection (life, trauma and agreed value income protection, monthly mortgage repayment repayment)
- Key Person (agreed value no offset income protection cover)
- Rural Key Person
- Waiver of Premium
- Defined Disability Income
- Survivor's Income Cover

Fidelity Life products do not include any KiwiSaver products or investment products.

In January 2018 the New Zealand Super Fund become a cornerstone investor in Fidelity Life, acquiring a 42% stake and injecting capital to support further innovation and growth.

Fidelity Life is focused on a sustainable and successful future with the customer at the centre of everything it does.

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For more information please visit [www.fidelitylife.co.nz](http://www.fidelitylife.co.nz)

### Eligibility:

All persons who meet the residency requirements are eligible. Entitlement to a benefit depends on the type of benefit and the age of the insured.

### Contributions:

All benefits are funded from Government revenues, except for those provided by the Accident Compensation Corporation (ACC), which is funded by levies assessed on both the employer and insured.

### Old Age Pension:

A State pension (NZ Superannuation) is paid to qualifying individuals who are at least 65 years of age and meet residency requirements.

The amount of the benefit depends on the individual's marital and domestic circumstances as indicated below. There is no asset or income test. The benefit is taxable to the recipient.

The benefit is adjusted annually (April 1) to account for changes in the cost of living and wages.

The following payments are net of tax (under tax code "M"). Payments are made fortnightly and deposited directly into the insured's bank account.

#### 2019 New Zealand Superannuation & Veterans' Pension (Standard Rates)

Status	Net Weekly Rate		Gross Weekly Rate
	after tax at "M"	after tax at "S"	
Single, living alone	\$411.15	\$392.30	\$475.42
Single, sharing accommodation	\$379.52	\$360.67	\$437.14
Couple, both qualify (combined)	\$632.54	\$594.84	\$720.84
Couple, both qualify (each)	\$316.27	\$297.42	\$360.42
Couple, only one qualifies & partner is included in payments (combined)	\$601.22	\$563.52	\$682.86
Couple, only one qualifies & partner is included in payments (each)	\$300.61	\$281.76	\$341.43
Couple, only one qualifies & partner is NOT included in payments	\$316.27	\$297.42	\$360.42

Tax Code "M" is for primary income without a student loan.

Tax Code "S" is for secondary sources of income.

*For additional information and non-standard rates, please go to:*  
<http://www.workandincome.govt.nz>

Superannuation payments are financed by taxpayers. However, in response to the increase in costs of State benefits from the greater projected proportion of the population over 65, the Government established the New Zealand Superannuation Fund in 2001 to partially pre-fund payment of New Zealand Superannuation.

The New Zealand Superannuation Fund will start contributing to the cost of New Zealand Superannuation from 2035. It is anticipated that it will meet about 14% of the net cost of New Zealand Superannuation at its peak.

### KiwiSaver:

KiwiSaver was introduced on July 1, 2007 to encourage personal savings and supplement the benefits provided by the social security program (NZ Super).

KiwiSaver is a voluntary savings initiative designed to make it easier for New Zealanders to save for their future. KiwiSaver members are able to access their savings when they are eligible for NZ Super (currently age 65) or after five years' membership, whichever is later. Being a KiwiSaver member does not affect the eligibility for NZ Super.

The Government provides the following incentives for KiwiSavers:

- Yearly tax credit for members up to NZD 521.43 per year
- Compulsory employer contributions for contributing employees
- Subsidy for first-time home buyers (if member qualifies)
- Tax on investment returns based on individual's own tax rate

KiwiSaver schemes are governed by trust deeds and regulated like superannuation schemes. Plan providers must be certified by the Department of Inland Revenue. The Government Actuary, which is part of the Ministry of Economic Development's Insurance and Superannuation Unit (ISU), regulates the schemes and maintains an official register of approved schemes.

Employers can but are not required to offer their own company-specific KiwiSaver plan. However, even in the absence of their own plan, employers are required to fulfill an administrative role on behalf of their employees.

Employers must provide new employees and others interested in KiwiSaver schemes with information. The Government provides information packets that can be distributed to employees.

Employers are also responsible for forwarding employee enrollment information to Inland Revenue and for deducting employees' contributions from gross salary or wages. The Department of Inland Revenue receives member and employer contributions and transfers them to the selected KiwiSaver plan provider for investing.

All new employees between the ages of 18 and 65 are automatically enrolled in the program, although they can opt out between the second and eighth week of employment. Any contributions made during this time will be refunded. The self-employed and those who aren't in the labor force, including people younger than age 18 and between ages 60-65, can establish a KiwiSaver plan via a registered provider.

Employees are allowed to select the KiwiSaver plan that will manage their contributions but can only be enrolled in one plan at a time.

If a specific KiwiSaver provider is not chosen by the employee, the employer can enroll them with their provider, if there is one, or they will be enrolled in a plan managed by a default provider that has been chosen for them by the Government.

Employees can choose to contribute 3%, 4%, 6%, 8% or 10% of gross income and make additional voluntary contributions. If a member doesn't choose an amount, the default rate of 3% will apply. Employers are required to contribute a minimum of 3% of the employee's gross salary. Self-employed and those not working can also contribute to a KiwiSaver account.

The Government provides a member tax credit for contributing KiwiSaver members, ability to withdraw accumulated contributions for first-time home buyers and investment tax at the lower of the individual's income tax rate and the company income tax rate.

KiwiSaver plans are administered by providers licensed by the Financial Markets Authority with an independent trustee as custodian of assets. Members can select any authorized KiwiSaver scheme and if no selection is made the member is enrolled with a provider designated by the employer (if any) or by rotation to one of eight default providers selected by Government.

Upon becoming eligible to withdraw, members can take their investment as a lump sum, have regular payments made to their bank account, leave the money in the plan until it's needed or transfer the funds to another investment product.

Additional information can be found on: <http://www.kiwisaver.govt.nz>

### Disability Benefits:

#### Supported Living Payment:

The Invalid's Benefit was replaced by the *Supported Living Payment* on July 15, 2013. The Supported Living Payment is a weekly benefit paid to an individual of at least 16 years of age, meeting the residency requirements and who is permanently or severely disabled. The benefit is means-tested and subject to taxation.

The individual must be assessed with a permanent and severe loss of capacity to work due to ongoing illness, injury, blindness or other disability. Assistance is also available to help the employee re-enter the workforce to the level that his/her medical or health condition permits.

#### Eligibility:

Permanently and severely restricted in your capacity because of a health condition, injury or disability means:

- Permanently unable to work due to a health condition, injury or disability or
- Totally blind or
- Caring full-time for someone at home who would otherwise need to be hospitalized or in a residential treatment facility and who is not their spouse or partner; and

#### Benefits:

Supported Living Payments as of April 2019:

Supported Living Payment: Without Children	Weekly Payment (after tax)
Single: 16-17 years, at home	\$221.48

Single: 18 years or over	\$273.70
Married, civil union or de facto couple (total)	\$456.14
Married, civil union or de facto couple (each)	\$228.07
<b>Supported Living Payment: With Children</b>	
Sole Parent	\$385.60
Married, civil union or de facto couple with 1 or more children (total)	\$482.20
Married, civil union or de facto couple with 1 or more children (each)	\$241.10
Married, civil union or de facto couple with 1 partner not on benefit and 1 or more children (total)	\$254.12
Married, civil union or de facto couple with 1 partner on NZ Super or Veteran's Pension and 1 or more children (total)	\$254.12

Those seeking employment are eligible for financial assistance with the costs of accommodation and childcare. They may also qualify for the Work Bonus or a Transition to Work grant. The Work Bonus is an incentive payment available to individuals who choose to work even though it is not a condition for receiving the benefit.

Contributions:

Benefits are funded from Government revenues.

### Widow's Benefit:

The widow's (survivor's) benefit was discontinued on July 14, 2013. Individuals who were receiving this benefit were transferred to either the *Sole Parent Support* or *Jobseeker Support* benefit depending on whether they had children or the age of their youngest child.



### Sole Parent Support:

The Sole Parent Support Benefit provides a weekly payment to single parents and caregivers of dependent children and assists them with finding part-time employment.

#### Eligibility:

Individuals are eligible for Sole Parent Support if they:

- Have dependent child(ren) under the age of 14
- Are 20 years of age or older
- Not in a relationship
- Without adequate financial means
- Are a citizen of New Zealand or permanent resident who has lived in New Zealand for at least two continuous years

#### Benefits:

Sole Parent Support Benefit as of April 2019:

Sole Parental Support Benefit	Weekly Payment (after tax at "M")
Sole Parent	\$339.69

Only one parent or caregiver can receive the Sole Parent Support benefit.

Beneficiaries may be required to attend job training or seminars to prepare them to find employment. Individuals who are studying or seeking to improve their job skills may be eligible for a Training Incentive Allowance or Sole Parent Study Assistance.

### Jobseeker Support:

Jobseeker support helps people find employment and provides them with a weekly payment until they do.

#### Eligibility:

Individuals are eligible for Jobseeker support if they are:

- Unemployed and looking for a job
- Employed part time but seeking additional work
- Unemployed or working less than full time due to a health condition, injury or disability

Those seeking Jobseeker support must be:

- Willing to accept suitable employment
- 18 and over or over the age of 20 with dependent children
- A citizen of New Zealand or permanent resident who has lived in New Zealand for at least two continuous years

Jobseeker support includes assistance with skill development, resumes, and finding a job or starting a business.

#### Benefits:

Jobseeker Benefits as of April 2019:

Jobseeker Support: Without Children	Weekly Payment (after tax)
Single: 18-19 years, at home	\$145.98
Single: 18-19 years away from home	\$182.47

Single: 20-24 years	\$182.47
Single: 25 years or over	\$218.98
Married, civil union or de facto couple (total)	\$364.94
Married, civil union or de facto couple (each)	\$182.47
<b>Jobseeker Support: With Children</b>	
Sole Parent	\$339.69
Married, civil union or de facto couple with 1 or more children (total)	\$391.00
Married, civil union or de facto couple with 1 or more children (each)	\$195.50
Married, civil union or de facto couple with 1 partner not on benefit and 1 or more children (total)	\$208.53
Married, civil union or de facto couple with 1 partner on NZ Super or Veteran's Pension and 1 or more children (total)	\$208.53

**Orphan's or Unsupported Child's Benefit:**

Provided to New Zealand citizens and permanent residents who are caring for a child 18 years of age or younger who is financially dependent on the caregiver. The caregiver must expect to take care of the child for at least 12 months and not be the child's adoptive or natural parent.

<b>Rates as of April 1, 2018</b>	<b>Weekly Payment (not taxed)</b>
Under 5 years	\$172.84
5-9 years	\$197.27
10-13 years	\$215.53
14 years and older	\$233.71

**Funeral Grant:**

A benefit of up to NZD 2,093.31 is paid to the surviving spouse, partner or dependent child to pay for the insured's funeral expenses. The benefit is means-tested but not taxable.

### Sickness Benefit:

The Sickness Benefit was replaced by the Jobseeker Support Benefit as of July 15, 2013. *Please see information above on the Jobseeker Support Benefit.*

### Paid Parental Leave:

Paid Parental Leave is a payment provided to eligible working mothers and other primary care givers, such as adopted parents, Home for Life parents, grandparents with full-time child care responsibilities and permanent guardians. The payments cover the loss of income due to parental leave or when work is stopped to care for a new-born or adopted child under the age of six. All or part of the benefit can be transferred to an eligible partner.

Paid parental leave payments equal the employee's average weekly earnings up to a maximum of NZD 585.80 a week before tax. The employee receives the average of the highest 26 weeks of earnings up to the date of birth or the date he or she takes custody of the child.

Maximum number of weeks of payments:

Birth or Due Date	Maximum Number of Weeks
Baby is born or expected on or after July 1, 2018 but before July 1, 2020	Up to 22 weeks
Baby is born or expected on or after July 1, 2020	Up to 26 weeks

If a baby is born more than three weeks early, extra payments can be made to what would have been the 36<sup>th</sup> week of pregnancy.

### Accident-Related Injury:

New Zealand has a no-fault accident compensation scheme that provides comprehensive, 24-hour, no-fault insurance cover for all accident-related injuries, regardless of whether or not they are work-related. The scheme is managed by the Accident Compensation Corporation (ACC).

#### Eligibility:

All residents of New Zealand and visitors to New Zealand.

#### Contributions:

Funding comes from levies paid by businesses, including: the self-employed, motor vehicle owners, motor vehicle license fees, employees and via Government revenues. Levies for businesses depend on the type of industry and associated risk factors. Levies are set annually.

#### Benefits:

The accident compensation scheme provides income replacement up to 80% of pre-injury weekly earnings (up to \$ 128,470 maximum liable income level), lump sum payments in cases of permanent disability and independence allowances. It also pays some of the costs for hospital services, prescription drugs, x-rays and specialist fees.

ACC also provides a range of services that aim to reduce the impact of injury on individuals and the community.

The injured party cannot sue for personal injuries other than for exemplary damages. This condition applies to visitors as well.

**Health Benefits:** Hospital and specialist healthcare in New Zealand is largely free to residents and funded through general taxation.

Health care is available for free or at a low cost and covers inpatient care at public hospitals, general practitioner care for children under the age of six years, maternity services and some laboratory tests.

Partial subsidies are provided for general practitioner visits for adults and children aged six or over.

Highly subsidised treatment is available at either public or private facilities in the event of an accident through the ACC scheme. Dental care is free for school-age children up to age 18.

Low income families receive a Community Services Card (CSC) for reduced cost prescription drugs, specialist visits, children's eyeglasses (up to age 15) and travel and lodging assistance for certain hospitalisations, as well as home care help.

Cost for treatment in private hospitals is not subsidized. No reimbursements are paid for dental care for adults, physical therapy, and work-related injuries.

Subsidies are provided by the Accident Compensation Corporation (ACC) for treatment of accident-related injuries.

Public hospitals provide treatment for most hospital admissions, including emergencies. However, non-urgent medical treatment is subject to waiting lists.

A booking system for non-urgent surgery and first specialist assessments has the following key characteristics:

- A system of determining priority for a service, according to need (mostly using a points system)
- A booked date for surgery or treatment within six months, according to priority
- A process for referring those who do not meet the criteria back to their general practitioner for on-going management

The Government subsidises pharmaceuticals, laboratory services and some diagnostic imaging services for everyone.

General practitioner visits for children under six are provided free in most cases, and there are subsidies for people on low incomes with a Community Services Card (CSC) and those with high healthcare needs (High User Cards and Prescription Subsidy needs). The extra subsidies reduce the cost of doctor visits and prescription charges.

**Other Benefits:**

New Zealand has a comprehensive benefit system funded through general taxation. Apart from retirement pension, the main benefits are for unemployment and sickness.

Other benefits include sole parent benefits, student allowances, veteran's pensions, accommodation subsidies, child care subsidies, and residential care subsidies.

Tax assistance is available for low-income working families, who have children ages 18 or younger who are not financially independent.

### Retirement Plans:

Discretionary superannuation funds (either defined benefit or defined contribution) are offered to all permanent employees after a waiting period of 6 to 12 months. Most defined benefit plans are closed to new members. New members are eligible to join defined contribution or other types of hybrid plans.

In the absence of any tax incentives for private superannuation, the number of employees enrolled in employer superannuation schemes, as well as the number of these schemes themselves decreased significantly over the 1990s.

The impact of a costly disclosure regime introduced in the late 1990s and greater focus on the responsibilities taken on by employers as trustees of these schemes encouraged a number of employers to transfer their employer schemes to Master Trusts. Under a Master Trust, many employers participate, allowing fixed expenses such as disclosure and compliance to be spread over many employers and members.

With the State-provided New Zealand Superannuation at a fixed level, regardless of income, the State benefit is a relatively more adequate benefit for the lower paid.

As superannuation savings are treated like any other form of savings, there is no requirement to take the retirement benefits in the form of a pension. As a result, retirement benefits are almost invariably taken in the form of a lump sum (even for defined benefit pension schemes, a full commutation option is typical) with the individual taking responsibility for turning this into an income stream. While the purchase of annuities from life offices is an option, very few retirees do this.

Consistent with international trends, many older defined benefit pension schemes have converted to defined contribution schemes or were closed to new entrants. New employer superannuation schemes are invariably defined contribution. This was confirmed in 2007 with the introduction of KiwiSaver, which operates on a defined contribution basis.

After the closure of the Government Superannuation Fund in 1992, access to workplace superannuation for public servants has been very limited. However, a superannuation scheme was established for primary teachers late in 2002 with a 1% employer subsidy (after tax). A savings scheme for all public servants was introduced in June 2004. Under this scheme, the Government matches employee contributions up to a maximum of 1.5% of salary in the first year and 3% in subsequent years, less withholding tax.

### Workplace Superannuation:

Most schemes require members to contribute with a common contribution rate of 5% of salary or wages. Employers often contribute at this level or provide higher paid employees with a higher subsidy. Some employers simply provide the superannuation plan, maybe paying for fees, with members deciding on the level of contributions they will make.

An increasing number of schemes offer variable member and employer contributions to allow for individual member requirements (particularly integration with New Zealand Superannuation) and the ability to benefit from substituting member for employer contributions for higher income earners.

Registered Superannuation Plans are established under a trust. Smaller employers tend to handle their plans through a multi-employer trust, while larger employers usually have the administrative and investment functions handled by a separate organisation. Insurance companies can frequently handle both the administrative and investment functions.

Some insurers offer bundling of superannuation schemes together with health, life and income protection insurance.

### KiwiSaver:

KiwiSaver was introduced on July 1, 2007 to encourage personal savings and supplement the benefits provided by the social security program (NZ Super). Existing employer schemes have the option of merging with KiwiSaver.

KiwiSaver is a voluntary savings initiative designed to make it easier for New Zealanders to save for their future. KiwiSaver members are able to access their savings when they are eligible for NZ Super (currently age 65) or after five years' membership, whichever is later. Being a KiwiSaver member does not affect the eligibility for NZ Super.

The Government provides incentives for KiwiSavers, including tax credits, compulsory employer contributions, subsidy's for first-time home buyers and investment tax based on the individual's tax rate.

KiwiSaver schemes are governed by trust deeds and regulated like superannuation schemes. Plan providers must be certified by the Department of Inland Revenue.

Employers can but are not required to offer their own company-specific KiwiSaver plan. However, even in the absence of their own plan, employers are required to fulfill an administrative role on behalf of their employees.

Many employers opt to turn the administrative functions over to a financial services companies. Many financial service companies can offer both administrative and investment services. In addition, financial service companies offer members on-line 24-hour access to their own password-protected account, provide annual statements and other support.

Employers must provide new employees and others interested in KiwiSaver schemes with information. The Government provides information packets that can be distributed to employees. Employers are also responsible for forwarding employee enrollment information to Inland Revenue and for deducting employees' contributions from gross salary or wages. The Department of Inland Revenue receives member and employer contributions and transfers them to the selected KiwiSaver plan provider for investing.

All new employees between the ages of 18 and 65 are automatically enrolled in the program, although they can opt out between the second and eighth week of employment. Any contributions made during this time will be refunded.

Employees are allowed to select the KiwiSaver plan that will manage their contributions but can only be enrolled in one plan at a time.

If a specific KiwiSaver provider is not chosen by the employee, the employer can enroll them with their provider, if there is one, or they will be enrolled in a plan managed by a default provider that has been chosen for them by the Government.

The employee can choose to contribute 3%, 4%, 6%, 8% or 10% of gross earnings to the plan. If no choice is made the default rate is 3%. Employees are allowed to make additional voluntary contributions, and lump sum contributions can be made at any time.

Employers are required to make contributions to the account of contributing employees at a minimum of 3% of the employee's gross salary or wage.

Upon becoming eligible to withdraw, members can take their investment as a lump sum, have regular payments made to their bank account, leave the money in the plan until it's needed or transfer the funds to another investment product.

### Death and Disability Benefits:

Death and total and permanent disablement insurance is commonly provided while temporary disablement insurance is less common. The benefit can be structured as a fixed amount per employee, multiple of salary, or as a percentage of salary and the number of years until the employee's retirement. Benefits are paid as a lump sum.

Death and permanent disability benefits are provided under superannuation plans or through a group policy. Death benefits are paid as a lump sum and are usually expressed as a multiple of salary or as a percentage of salary times the number of years the employee has until retirement.

Some contracts allow for the payment of the death benefit in advance once an employee is diagnosed with a Terminal Illness. The permanent disability benefit is also paid as a lump sum and can be up to the death benefit. All savings from KiwiSaver plans are paid to the estate of the employee.

Terminal Illness:	Should the employee be diagnosed with a terminal illness where his or her life expectancy is less than one year, the death benefit sum insured can be paid in advance.
Parental Leave:	Death and disability coverages are extended to an eligible employee while on parental leave.
Interim Accidental Death Benefit:	While assessing an employee's application, coverage is provided in the event of accidental death starting from the date the application is received.
Trauma Insurance:	Also known as Group Critical Illness Coverage, this benefit provides a one-off lump sum payment to help reduce the financial burden of serious illness or injury as defined by the plan. The lump sum can be a fixed amount or based on a multiple of salary, age or years of service. Employees can use the lump sum as they wish for such needs as medical treatment, cost of transportation, rehabilitation expenses or paying off a mortgage.
Income Protection	Also known as Group Salary Continuance, this benefit provides a monthly payment of up to 75% of salary when someone is unable to work due to illness or injury.



### Medical Insurance Schemes:

Private health insurance is not a necessity in New Zealand as the public health system is quite good overall and subsidised by the Government. However, a proportion of healthcare expenditure is paid for by private citizens.

There is a heightened public awareness of health issues and the availability of new surgical techniques and procedures. However, long public waiting lists, gaps in the levels of cover provided by the Accident Compensation Corporation (ACC), and the unavailability of some procedures in the public health system are some of the reasons why individuals choose to take private medical insurance.

More employers are offering supplemental coverage. Private insurance allows for the insured to by-pass waiting times for non-emergency care and to receive coverage for elective surgeries. Obtaining private health care coverage does not exclude the insured from receiving care through the public health system.

Several different private healthcare packages are available incorporating fully or partially subsidised:

- Surgical & Medical
- Specialists & Tests
- General Medical
- Dental & Optical

Summary of Taxation of Employee Benefits

Type of Benefit	Contributions	Benefits
Group Life & Medical Insurance:	<p>In most cases, the premium and FBT is a tax-deductible expense for income tax payable by the employer.</p> <p>The premium is subject to the Fringe Benefits Tax (FBT) calculated at a member level.  <math>FBT = \text{premium} * T / (1-T)</math> where T is the marginal tax rate for the employee.</p> <p>Goods and Services Tax (GST): applies to income protection, TPD and Trauma premiums. The premium for death cover is GST exempt.</p>	<p>Goods and Services Tax (GST): can be reclaimed on IP, TPD and Trauma claims</p>
Income Protection:	<p><b>Premiums are subject to GST.</b></p> <p>Premiums for Agreed Value Income Protection is subject to the Fringe Benefits Tax (FBT).</p> <p>Premiums for Indemnity Income Protection (benefit = defined % of salary) are not subject to FBT</p> <p>Most members / employees have indemnity cover.</p>	<p>Agreed value claim payments are not taxable for the member / employee.</p> <p>Indemnity income protection claims are taxable income for the member</p> <p>Most income protection claims qualify for a GST rebate.</p>
Retirement Plans: New Zealand Superannuation (Government Funded):	<ul style="list-style-type: none"> <li>No tax concessions for superannuation</li> <li>Contributions are from after-tax income. New Zealand Government Superannuation is taxable at the individual's personal tax rate.</li> </ul>	<ul style="list-style-type: none"> <li>Investment gains taxed within the fund: <ul style="list-style-type: none"> <li>PIE vs. non-PIE funds</li> </ul> </li> <li>Withdrawals (pre &amp; post retirement) are tax-free.</li> </ul>
KiwiSaver	<ul style="list-style-type: none"> <li>KiwiSaver has a tax credit of 50% of member's contributions up to a maximum tax credit of \$ 521.43 per year. KiwiSaver contributions are deducted from employee wages at 3% (default rate) with an option to contribute 4%, 6%, 8% or 10% of gross income. Employers are required to contribute a minimum of 3%.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

**Plan A**

Type of Company:	Service Company (Credit Cards)
Number of Members:	105
Death Benefit:	An amount equal to three times annual salary.
TPD Benefit:	A lump sum benefit equal to the amount of life insurance.
Eligibility:	<u>Superannuation Scheme:</u> Employees between the ages of 18 and 65 years. Employee can opt out of the scheme.  <u>Life and TPD Benefit:</u> All employees are eligible to join the plan within 12 months of joining the company.
Benefit Ceasing Age:	65
Superannuation:	KiwiSaver or other workplace superannuation plans designed to meet the particular needs of the company. Services include administration, investment, on-line personal accounts set up for each employee and support for employer and employee.

**Plan B – Global Services**

Type of Company	Hair Product Distributor
Number of Members	34
Death Benefit:	A = 15% x salary x years to 65 B = 12.5% x salary x years to 65 C = 1 x salary
TPD Benefit:	A lump sum benefit equal to the amount of life insurance.
Spouse's Coverage:	NA
Eligibility:	<u>Superannuation Scheme:</u> Employees between the ages of 18 and 65 years. Employee can opt out of the scheme.  <u>Life and TPD Benefit:</u> New entrants automatically join Category C on joining the company. After six months' service, they become eligible for the other categories on the first day of the month following the completion of six months' service.
Benefit Ceasing Age:	65
Superannuation:	KiwiSaver or other workplace superannuation plans designed to meet the particular needs of the company. Services include administration, investment, on-line personal accounts set up for each employee and support for employer and employee.

A.M Best	A copy of the scale of which the rating forms part of is available at the Fidelity Life Office. Otherwise you can find it here <a href="http://www.ambest.com/ratings/guide.pdf">http://www.ambest.com/ratings/guide.pdf</a>
Demographic information	<a href="https://www.cia.gov/library/publications/the-world-factbook/">CIA World Factbook</a> <a href="https://www.cia.gov/library/publications/the-world-factbook/">https://www.cia.gov/library/publications/the-world-factbook/</a>
Macro-Economic indicators	<a href="https://www.cia.gov/library/publications/the-world-factbook/">CIA World Factbook</a> <a href="https://www.cia.gov/library/publications/the-world-factbook/">https://www.cia.gov/library/publications/the-world-factbook/</a>
For more information on <b>Fidelity Life</b> , please visit:	<a href="http://www.fidelitylife.co.nz">www.fidelitylife.co.nz</a> <i>Information available in English.</i>
KiwiSaver	<a href="http://www.kiwisaver.govt.nz">www.kiwisaver.govt.nz</a>
New Zealand Work & Income	<a href="http://www.workandincome.govt.nz">http://www.workandincome.govt.nz</a>
New Zealand Immigration	<a href="http://www.newzealandnow.govt.nz">www.newzealandnow.govt.nz</a>
New Zealand Treasury	<a href="http://www.treasury.govt.nz">http://www.treasury.govt.nz</a>
Reserve Bank of New Zealand	<a href="http://www.rbnz.govt.nz">www.rbnz.govt.nz</a>
Stats	<a href="http://www.stats.govt.nz">www.stats.govt.nz</a>



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