

National Provident Fund

Schemes Administration Newsletter

This newsletter is important to employers and employees – it covers upcoming potential changes to contribution rates impacting the National Provident Fund (NPF).

Further information about NPF is available on the NPF website:

www.npf.co.nz



Employer Update

March 2026

❖ Upcoming potential changes to contribution rates – Effective 1 April 2026

The employee and employer minimum contribution rates are changing for KiwiSaver schemes from **1 April 2026 (see over the page)**. While changes for KiwiSaver schemes have been passed, changes impacting NPF Lump Sum National Locked in Scheme will take effect if the [Taxation \(Annual Rates for 2025–26, Compliance Simplification, and Remedial Measures\) Bill](#) is passed.

If passed,

- The contribution rate will increase from **3% to 3.5%** for both employees and employers), **unless** the member directs the trustee or agrees as a term of membership that the rate will be 3%.
- Practically, this will allow existing elections to contribute at 3% to continue. Where employees continue contributing at 3%, the corresponding minimum rate for their employers will also remain at 3%.
- If employees increase their contributions to 3.5% (and then to 4%), the corresponding minimum rate for their employers will also increase to 3.5% (and then to 4%).

Impacted NPF members must apply directly with the trustee to stay at the 3% rate. We will develop an election form for your employees to use. This will be made available, once the Bill has been passed, via the NPF website at: <https://www.npf.co.nz/> under "Quick links".

The Trustees would appreciate it if you could please advise your employees who are contributing members of NPF Lump Sum National Locked in Scheme.

Contact Details

If you have any questions about the NPF scheme, please contact Datacom who would be happy to assist. If possible, please quote your NPF employer number when contacting us.

Datacom, NPF Schemes Administration

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Disclaimer

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❖ **KiwiSaver Scheme Contribution Changes – Effective 1 April 2026**

- **New Minimum Employee Contribution Rates** - From 1 April 2026, the default KiwiSaver contribution rate will increase from **3% to 3.5%** for both employees and employers. NPF members currently contributing at the default rate will automatically shift to the new rate unless they take action to stay at their current level.
- **Temporary Rate Reduction Option (Employees staying at 3%)** - A key part of the 2026 changes is the introduction of temporary rate reduction flexibility. Employees who do not wish to move to the new 3.5% rate can apply to remain at 3% temporarily, and employers must match that 3% rate during the approved period.

Members must apply through the Inland Revenue to stay at the 3% rate. Once approved, the temporary rate applies for a set temporary period. After the temporary period ends, the member will return to the standard rate unless they apply again or choose a different contribution level.

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