

CHANGES TO THE KIWISAVER HOMESTART GRANT

This factsheet tells you about changes to the KiwiSaver HomeStart grant that took effect on 1 August 2016. The key changes are as outlined below.

INCOME CAPS:

The existing income cap limits of \$80,000 for one buyer and \$120,000 for two or more buyers are to be increased to \$85,000 and \$130,000 respectively. These caps are based on income earned in the previous 12 month period before tax.

HOUSE PRICE CAPS:

The existing house price caps will be increased by \$50,000 to the new levels of \$400,000, \$500,000 and \$600,000. (See table below for details) Additionally, these house price caps are to be used exclusively for existing/older properties.

Price caps have also been added for new build properties. These caps are set at \$450,000, \$550,000 and \$650,000. (See table below for details)

PREVIOUS HOME OWNERS:

For the assessment of previous home owners, the realisable assets test will be based on the house price cap for existing/older properties, not the new properties caps.

COMPARISON TABLE

| ELIGIBILITY CRITERIA | CRITERIA PRIOR TO 1 AUGUST 2016 - ALL PROPERTIES | CRITERIA FROM 1 AUGUST 2016 - EXISTING/OLDER PROPERTIES | CRITERIA FROM 1 AUGUST 2016 - NEW BUILD PROPERTIES |
|---|--|--|--|
| HOUSE PRICE CAPS | | | |
| Auckland | \$550,000 | \$600,000 | \$650,000 |
| Hamilton City, Tauranga City, Western Bay of Plenty District, Kapiti Coast District, Porirua City, Upper Hutt City, Hutt City, Wellington City, Tasman District, Nelson City, Waimakariri District, Christchurch City, Selwyn District, Queenstown Lakes District | \$450,000 | \$500,000 | \$550,000 |
| Rest of New Zealand | \$350,000 | \$400,000 | \$450,000 |
| INCOME CAPS (BEFORE TAX) | | | |
| Single buyer | \$80,000 or less in the previous 12 months | \$85,000 or less in the previous 12 months | \$85,000 or less in the previous 12 months |
| Two or more buyers | \$120,000 or less in the previous 12 months | \$130,000 or less in the previous 12 months | \$130,000 or less in the previous 12 months |
| PREVIOUS HOME OWNERS | | | |
| | Realisable assets level of no more than 20% of the regional house price cap: | Realisable assets level of no more than 20% of the regional house price cap for existing/older properties: | Realisable assets level of no more than 20% of the regional house price cap for existing/older properties: |
| Auckland | \$110,000 | \$120,000 | \$120,000 |
| Hamilton City, Tauranga City, Western Bay of Plenty District, Kapiti Coast District, Porirua City, Upper Hutt City, Hutt City, Wellington City, Tasman District, Nelson City, Waimakariri District, Christchurch City, Selwyn District, Queenstown Lakes District | \$90,000 | \$100,000 | \$100,000 |
| Rest of New Zealand | \$70,000 | \$80,000 | \$80,000 |