

Fact sheet - Early withdrawal of KiwiSaver funds for first farm purchases and service tenancy first home purchases

The Government will make its targeted changes to first-home withdrawal provisions through a KiwiSaver amendment bill expected to be introduced in mid-2026. It is expected the Bill will go before Select Committee before the 2026 General Election and enacted after it, with new withdrawal provisions in place at least six months after its enactment.

Rangitikei MP Suze Redmayne's member's bill KiwiSaver (First Home for Farm Land and Service Tenancy Tenants) Amendment Bill will be withdrawn when the Government Bill is introduced.

Service tenancies

- Current KiwiSaver first-home early withdrawals require a person to intend to occupy the property.
- Workers on a service tenancy – where a job comes with accommodation (whether paid or not) – cannot access their KiwiSaver for their first home purchase.
- The Government will remove this rule for those on service tenancies, enabling them to purchase their first home using their KiwiSaver.
- In service tenancies, a worker's landlord is their employer. Examples include some:
 - Farm workers
 - Rural teachers
 - Country police
 - Diplomatic staff
 - Defence personnel
 - Health professionals
 - Clergy
- First-home withdrawal applicants in service tenancies will need to provide evidence of this, likely from their employer.

Farms

- Under current KiwiSaver rules, first homes must be bought in the buyer's own name. That means farmers buying homes - through a company, partnership or trust - are currently unable to use their KiwiSaver funds to help finance the property even when they intend to live there.
- To meet first-home withdrawal criteria, KiwiSaver members buying farmland through a commercial vehicle will need to live on the property, and have majority ownership and control of the trust, company or partnership used to purchase it.
- For the purposes of enabling KiwiSaver members to purchase a first farm, 'farmland' will have a similar meaning as in the Overseas Investment Act*. This will allow for mixed farming models (e.g. combinations of farm purposes) and non-farming commercial activity, such as eco-tourism, alongside the principal use of productive farming. This definition will exclude forestry plantations, but allow smaller forestry blocks on farms focused principally on other types of farming.
- MPI estimates that less than 20% of agriculture businesses are individual proprietorships.

* meaning land used exclusively or principally for agricultural, horticultural, or pastoral purposes, or for the keeping of bees, poultry, or livestock.