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Introduction

This brochure is for:

- New Zealanders who have lived, live or are going to live in the United Kingdom, including Northern Ireland
- People from the United Kingdom and Northern Ireland who have lived, live or are going to live in New Zealand.

The Social Security Agreement

- New Zealand and the United Kingdom have a social security agreement. The Agreement covers the following benefits and pensions:



New Zealand

New Zealand Superannuation
Invalid's Benefit
Widow's Benefit
Orphans Benefit
Sickness Benefit
Unemployment Benefit



United Kingdom

State Pension (formerly Retirement Pension)
Widow's Benefits and Bereavement Benefits
Incapacity Benefits
Guardian's Allowance
Child Benefit
Job Seekers Allowance



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The Agreement means that:

- New Zealanders that live in the United Kingdom can generally use their entitlement to a New Zealand benefit or pension or their New Zealand residence to help them meet the residential/contribution criteria for United Kingdom benefits and pensions.
- People from the United Kingdom that live in New Zealand can use their residence in the United Kingdom and/or their contributions to the United Kingdom National Insurance Scheme to meet the residential requirements for benefits or pensions in New Zealand.
- If you are paid a New Zealand benefit or pension and you may qualify for a United Kingdom benefit or pension, you must apply for it.

Note: New Zealand benefits and pensions are not paid into the United Kingdom.

If you have lived in the United Kingdom or New Zealand for some time, you may qualify for benefits or pensions not covered by the Agreement.

For more information contact Work and Income. See the back page for contact details.

Phrases used

“Ordinarily resident in New Zealand” describes a person who normally lives in New Zealand and intends to continue doing so. As there are a number of factors that prove “ordinarily resident”, Work and Income decides this on a case by case basis.

A partner is your spouse (husband or wife), or a person (of the opposite sex) with whom you have a de facto relationship.

The Pension Service in the United Kingdom is the equivalent of Work and Income in New Zealand.



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Receiving a benefit or pension in the United Kingdom

If you live in the United Kingdom you can't be paid New Zealand benefits and pensions. However, you may qualify for United Kingdom benefits or pensions.

Note: If you are in the United Kingdom temporarily, you can apply for a United Kingdom benefit or pension, or an increase in your United Kingdom benefit or pension.

If you receive a New Zealand benefit or pension at the same time, you must tell Work and Income as your rate of New Zealand benefit or pension will be affected.

Receiving United Kingdom benefits or pensions in the United Kingdom

The Pension Service in the United Kingdom decides who can receive United Kingdom benefits and pensions and how much will be paid.

If you have lived in New Zealand for long enough or made enough contributions to the United Kingdom National Insurance Scheme, you may be able to receive the following benefits or pensions:

- State Pension (formerly Retirement Pension)
- Widow's Benefits and Bereavement Benefits
- Incapacity Benefits
- Guardian's Allowance
- Child Benefit
- Job Seekers Allowance.

How do I apply for United Kingdom benefits and pensions?

You must be in the United Kingdom to apply for United Kingdom benefits and pensions.

If you don't receive New Zealand Superannuation or Widow's Benefit before leaving New Zealand and you would like the period of your New Zealand

residence to be taken into account when applying for a United Kingdom benefit or pension, you will need evidence of that time.

This includes tax certificates, employers' references, wage slips, travel documents, testimonials, work references and letters from neighbours and friends (please provide their contact details).

If you already receive New Zealand Superannuation or Widow's Benefit prior to leaving New Zealand for the United Kingdom, you will need to contact International Services in New Zealand for a letter which will:

- verify that you received New Zealand Superannuation or Widow's Benefit and the date this stopped
- state that you received this payment in your own right (not using another social security agreement to meet the criteria).

For more information contact the United Kingdom Pension Service. See the back page for contact details.

How much will I be paid?

If you didn't receive New Zealand Superannuation or Widow's Benefit prior to leaving New Zealand, the rate you are paid for United Kingdom benefits and pensions depends on contributions you made to the National Insurance Scheme and time lived in New Zealand.

If you received New Zealand Superannuation or Widow's Benefit prior to leaving New Zealand, you may receive the full standard rate of the United Kingdom State Pension or Widow's Allowance/Basic Widow's Pension.

In both cases, the Pension Service decides how much will be paid.



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Receiving a benefit or pension in New Zealand

If you live in New Zealand or intend to, you may qualify for benefits or pensions from both the United Kingdom and New Zealand.

If you are paid a New Zealand benefit or pension and you may qualify for a United Kingdom benefit or pension, you must apply for it.

This means you may be paid a benefit or pension from both New Zealand and the United Kingdom.

If you already receive a United Kingdom benefit or pension, you must tell Work and Income.

You must have permanent residence or New Zealand citizenship to be paid a New Zealand benefit or pension.

Receiving United Kingdom benefits or pensions in New Zealand

The Pension Service in the United Kingdom decides who can receive United Kingdom benefits and pensions and how much will be paid.

If you have made contributions to the United Kingdom National Insurance Scheme and you meet the general criteria for United Kingdom benefits and pensions, you may be able to receive some of the following benefits or pensions:

- State Pension (formerly Retirement Pension)
- Widow's Benefits
- Child Benefit
- Incapacity Benefits (short term assistance only)
- Guardian's Allowance.

Note: The Child Benefit and Guardian's Allowance have criteria concerning permanent departures and ordinary residence in the United Kingdom. Please discuss your situation with the Pension Service before you leave the United Kingdom.

How do I apply for United Kingdom benefits and pensions?

If you are living in New Zealand contact International Services. See the back page for contact details.

If you are living in the United Kingdom contact the United Kingdom Pension Service. See the back page for contact details.

Receiving New Zealand benefits or pensions in New Zealand

Can I receive New Zealand Superannuation?

You may qualify for New Zealand Superannuation, if you have lived in the United Kingdom and you meet New Zealand's standard criteria. Your periods of residence in the United Kingdom and/or contributions to the United Kingdom National Insurance Scheme can be used to meet the residence criteria.

The Living Alone Payment

If you live alone and you receive New Zealand Superannuation you may be eligible for the Living Alone Payment.

Partners

You may choose to include your partner if they do not meet the criteria for New Zealand Superannuation eg if they are under 65 or do not meet the residency criteria.

If you choose to include your partner, the married rate of New Zealand Superannuation will be income tested. This means that the rate you are paid will depend on any income you and your partner have.

For more information about New Zealand Superannuation, refer to Work and Income's booklet: *New Zealand Superannuation*



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Can I receive an Invalid's Benefit, Sickness Benefit or Unemployment Benefit?

You may qualify for one of these benefits if you have lived in the United Kingdom and you meet New Zealand's standard criteria. Your periods of residence in the United Kingdom and/or contributions to the United Kingdom National Insurance Scheme can be used to meet the residence criteria for these benefits.

→ For more information about the *Invalid's Benefit*, refer to *Work and Income's* booklet: *Invalid's Benefit*

→ For more information about the *Sickness Benefit*, refer to *Work and Income's* booklet: *Sickness Benefit*

→ For more information about the *Unemployment Benefit*, refer to *Work and Income's* booklet: *Unemployment Benefit and Independent Youth Benefit*

Can I receive a Widow's Benefit or Orphans Benefit?

You may qualify for either benefit if you have lived in the United Kingdom and you meet the standard criteria for these benefits.

The Widow's Benefit

The periods of time that you and/or your late partner were usually resident in the United Kingdom are treated as periods of residence in New Zealand.

If your partner died in the United Kingdom they will be treated as if they had died in New Zealand.

Dependent children born in the United Kingdom are treated as if they were dependent children born in New Zealand.

→ For more information about *Widow's Benefit* refer to *Work and Income's* booklet: *Domestic Purposes and Widow's Benefit*

→ For more information about the *Orphan's Benefit*, refer to *Work and Income's* booklet: *Orphan's and Unsupported Child's Benefit*

Can I receive extra assistance?

There are a number of supplementary benefits available in New Zealand. You may qualify for these depending on your circumstances.

Accommodation Supplement

The Accommodation Supplement helps with paying rent or board, or owning a home. The rate depends on the area you live in and your accommodation costs.

Disability Allowance

If you have a disability you may be able to receive a Disability Allowance to help towards any extra costs such as regular doctor visits, medicines, and extra clothes, food or travel.

Family Tax Credit (formerly Family Support)

If you care for dependent children, you may be able to receive Family Tax Credit. This depends on any other income you receive.

For more information refer to *Work and Income's* booklet: *Need Extra Help with Costs?*

How do I apply for New Zealand benefits and pensions?

You should apply when you are in New Zealand. To find out about applying, call Work and Income. See the back page for contact details.



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How much will I be paid?

As a general rule, the amount you are paid is about equal to the New Zealand benefit or pension you would be paid if you had lived all your life in New Zealand.

Work and Income decides how much you will be paid based on certain criteria. Any United Kingdom benefit or pension paid to you is usually deducted from your New Zealand payment, as are any other benefits or pensions received from other countries.

Other income you have may affect the amount paid to you if you apply for an income-tested benefit.

Dual Entitlement

In certain circumstances you may receive your full New Zealand Superannuation *and* your United Kingdom benefit or pension. This only happens if:

- you receive New Zealand Superannuation without using the Agreement. This means you have been resident and present in New Zealand for more than ten years since the age of 20 with five years since the age of 50, and
- you were usually resident in New Zealand on 1 January 1970 and made contributions to the United Kingdom National Insurance Scheme during that time.

How are payments made from the United Kingdom?

You can choose to have your United Kingdom benefit or pension paid by the Direct Payment Method or the Special Banking Option.

Direct Payment Method

If you choose the Direct Payment Method, your United Kingdom benefit or pension is paid directly from the United Kingdom to your bank account every four or 13 weeks, or annually if it is very small. You need to pay tax on this.

Your gross United Kingdom benefit or pension is converted each month to New Zealand dollars using an average of the previous month's exchange rates. This amount is directly deducted from your New Zealand benefit or pension.

This means that the payments you receive from the United Kingdom and New Zealand will change each month due to fluctuations in exchange rates.

Each month Work and Income will send you a letter explaining how your New Zealand payment rate was worked out. If you don't want to receive these, please let us know.

The total amount you will receive will be the equivalent of your full New Zealand benefit or pension entitlement.

The Special Banking Option

If you choose the Special Banking Option, your United Kingdom benefit or pension will be paid into a special bank account that only Work and Income and the bank access.

Work and Income will pay you the full New Zealand benefit or pension weekly or fortnightly. Your payment isn't affected by exchange rates and the tax is already paid for you.

For more information, refer to Work and Income's booklet: Payment Options

What tax will I have to pay?

When I may have to pay tax

If your United Kingdom pension is paid by the Special Banking Option, any tax that is due on that pension will be deducted from your payments before you receive them.

You may have to pay tax on your United Kingdom benefit or pension in New Zealand if:

- you also receive New Zealand Superannuation or Veteran's Pension, and
- you are paid your United Kingdom pension by the Direct Payment Method.



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This is regardless of whether your United Kingdom benefit or pension is paid into New Zealand or the United Kingdom.

Make sure you keep copies of all your banking records, as these will show your gross United Kingdom pension payments required for tax purposes.

When I may not have to pay tax

Generally, you do not have to pay tax on your United Kingdom benefit or pension in New Zealand if:

- you are paid any New Zealand benefit other than New Zealand Superannuation or Veteran's Pension, and
- you are paid your United Kingdom benefit or pension directly.

This is because your *gross* United Kingdom benefit or pension is directly deducted from your *net* New Zealand entitlement.

If you have chosen the Special Banking Option, the tax is already paid. However, you may need to pay tax on any United Kingdom benefit or pension you received prior to choosing the Special Banking Option.

We recommend you discuss your tax liabilities with Inland Revenue (New Zealand).

What happens to my New Zealand benefit or pension if I leave New Zealand?

If you leave New Zealand temporarily, you need to advise Work and Income. You may continue to receive your benefit or pension, or it may be suspended or cancelled, depending on the length of time you are away.

If you move to another country, you may continue to receive your New Zealand benefit or pension depending on which country you move to.

Advise Work and Income of your plans so there's less chance that you will be overpaid and required to make repayments later.

What happens to my New Zealand benefit or pension if I return to the United Kingdom?

If you visit the United Kingdom and you are paid a United Kingdom benefit or pension, you may be paid a higher rate during your visit. This will affect your New Zealand payments.

You must advise Work and Income if you intend to visit the United Kingdom and advise the International Services of any increase in your United Kingdom payment. This will ensure that you are paid the correct amount from New Zealand.

If you move back to the United Kingdom, you must advise Work and Income. Your benefit or pension may be suspended or cancelled, depending on the length of time you are away.

Advise Work and Income of your plans so there's less chance that you will be overpaid and required to make repayments later.

For more information about how leaving New Zealand may affect your payment, refer to Work and Income's brochures:

If you are paid a benefit, refer to Work and Income's booklet: Are You Going Overseas?

If you are paid New Zealand Superannuation or Veteran's Pension, refer to Work and Income's booklet: Retired and Going Overseas?



Frequently Asked Questions

Q Who decides how much I will be paid?

A The Pension Service in the United Kingdom decides who can receive a United Kingdom benefit or pension and how much will be paid. Work and Income in New Zealand decides who can receive a New Zealand benefit or pension and how much will be paid.

Q What happens to the information I provide Work and Income?

A Any application forms you complete for New Zealand benefits or pensions may be compared with information held by the Pension Service or Work and Income. Work and Income checks your identity and residency status.

Work and Income may compare information with Inland Revenue, the Ministry of Justice, the Department of Corrections, the New Zealand Customs Service, the Department of Internal Affairs, the Accident Compensation Corporation, Housing New Zealand Corporation and Immigration New Zealand. Work and Income may pass this information on to the United Kingdom Pension Service as well.

In certain circumstances, Work and Income may approach the social security departments of other governments from whom you may be able to receive a similar benefit or pension.

Under the New Zealand Privacy Act 1993, you have the right to request all information we hold about you and corrections to that information.

Q What happens if I'm in New Zealand and my United Kingdom benefit or pension is higher than my New Zealand benefit or pension?

A You will be paid your full United Kingdom benefit or pension but not a New Zealand benefit or pension unless you qualify for Dual

Entitlement to New Zealand Superannuation.

If your partner is paid a New Zealand benefit or pension, any excess from your United Kingdom benefit or pension will be deducted from their New Zealand benefit or pension.

If you are on the Special Banking Option, please talk to us about your options.

Q Can I receive back-dated payments for New Zealand benefits or pensions?

A If you qualify for New Zealand Superannuation, Widow's Benefit, Invalid's Benefit or Orphans Benefit and you applied for these within six months of arriving in New Zealand, you may be paid arrears of these benefits from the date of your arrival and the date you applied.

For other benefits under the Agreement, you will be paid from the date that Work and Income receives your application or the entitlement date – whichever is later.

If you qualify for an Invalid's Benefit, Widow's Benefit, Sickness Benefit or Unemployment Benefit, there is a stand-down period. Payment begins after that period.

Q Can I choose not to apply for a United Kingdom benefit or pension if I am paid a New Zealand benefit or pension?

A No. You are legally required to apply for any overseas benefit or pension that you may be entitled to.

Q Is it to my advantage to make voluntary National Insurance contributions from New Zealand?

A This depends on how much you decide to pay and whether you intend to live in New Zealand, the United Kingdom or any other country in the future. For more information contact the Pension Service. See the back page for contact details.



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Contacts



Contacting the United Kingdom

The Pension Service

International Pension Centre
Tyneview Park
Newcastle Upon Tyne
NE98 1BA
UNITED KINGDOM

Tel 0044 191 218 7777

Fax 0044 191 218 3836

Email TVP-IPC-Customer-Care@thepensionsservice.gsi.gov.uk

Web www.dwp.gov.uk

When you write the Pension Service, you should include:

- your full name, full address and date of birth
- a list of all the countries you have lived in
- your National Insurance number if possible.



Contacting New Zealand

International Services

Ministry of Social Development
PO Box 27-178
Wellington 6140
NEW ZEALAND

Calling from New Zealand

Tel For general benefit enquiries
or to arrange a meeting

0800 559 009

Tel For specific enquiries about
the Agreement

0800 777 117

Calling from overseas

Tel 0064 4 978 1180

Fax 0064 4 918 0159

Email international.services@msd.govt.nz

Web

www.workandincome.govt.nz/international-services