

PayBiz – Kiwisaver Minimum Rate Increases

18/02/2026

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Kiwisaver Minimum Rate Increases

<https://www.ird.govt.nz/kiwisaver-changes>

From 1 April 2026 the default minimum contribution rate for both employers and employees will increase from 3% to 3.5%.

From 1 April 2028 the default minimum contribution rate for both employers and employees will increase again from 3.5% to 4%.

Employees aged 16-17 who are enrolled in KiwiSaver will become eligible for compulsory employer contributions. These employees are not eligible to be auto enrolled, but if they are KiwiSaver members they do get the compulsory employer contribution.

Updating Employer and Employee Rates

Paybiz main menu > File > Company Details > Financial tab

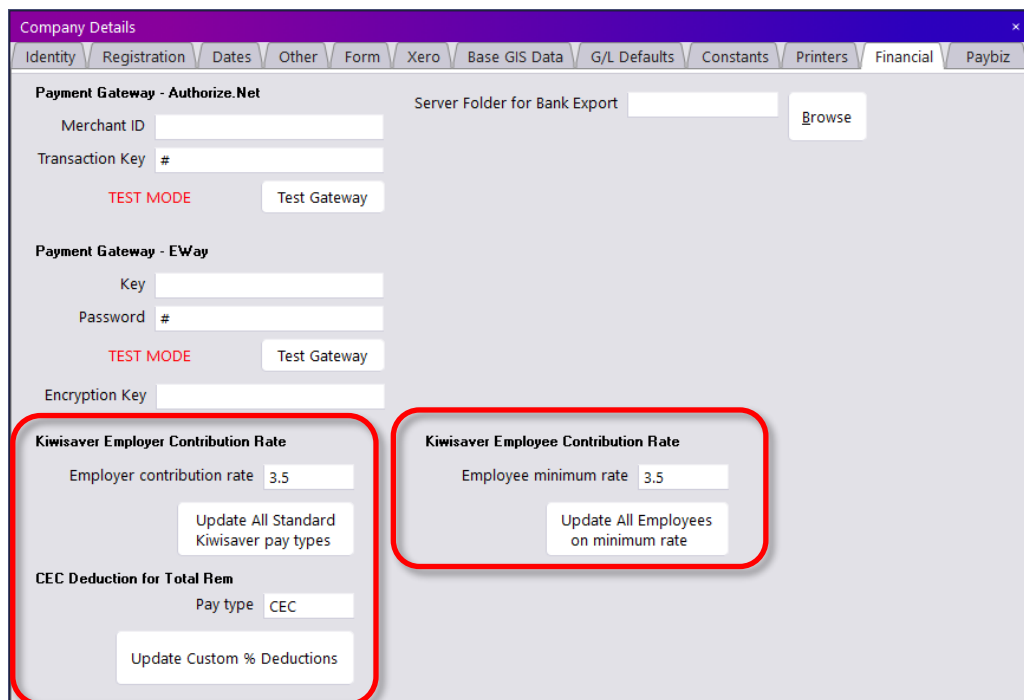


Figure 1: Contribution Rate Updates - Company Details

Kiwisaver Employer Contribution Rate:

Enter the new rate (3.5) and click **Update All Standard Kiwisaver pay types**

This will increase the employer contribution from 3% to 3.5% for all Superannuation pay types that:

- are either a Kiwisaver Fund or Complying Fund
- where the employer contribution is a %
- where the employer contribution is not 0%

Kiwisaver Employee Contribution Rate

Enter the new rate (3.5) and click **Update All Employees on minimum rate**

This will update the Quantity on any employee standing line:

- with a Superannuation pay type that is either a Kiwisaver Fund or Complying Fund
- where the employee contribution is a % (not \$ amount)
- where the standing line quantity is less than the new minimum amount entered

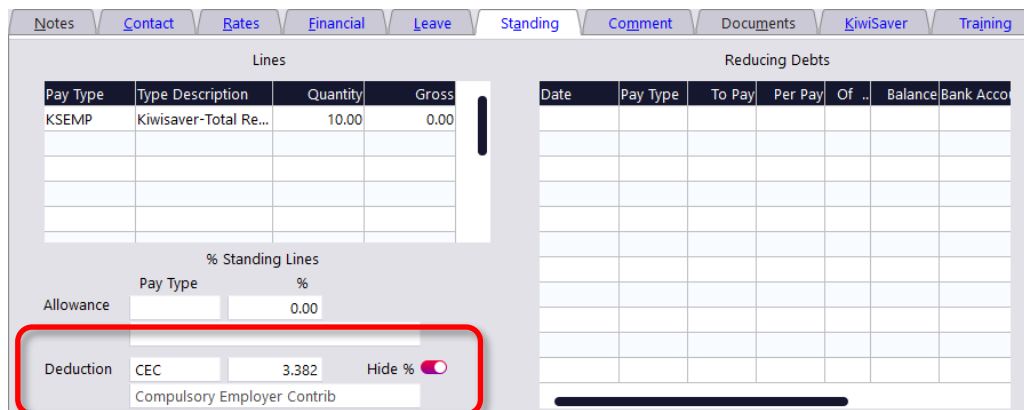
Compulsory Employer Contribution Deductions for Total Remuneration

If using Total Remuneration contracts where the Compulsory Employer Contribution (CEC) is built in to the base rate, you will need to update the deduction rate in the employee's **% Standing Line Deduction** settings.

- Make sure the correct % is entered into the **Employer Contribution Rate**
- Enter the **Pay type** code that is used for the CEC deduction
- Click the **Update Custom % Deductions** button

The system will:

- Calculate the correct percentage to deduct
- Scan all employees (active and finished), find any that have the specified pay type entered in their Custom % Deduction Pay Type then:
 - Set the % for the deduction
 - Turn on **Hide %** if it is currently Off



Pay Type	Type Description	Quantity	Gross
KSEMP	Kiwisaver-Total Re...	10.00	0.00

% Standing Lines	
Pay Type	%
Allowance	0.00
Deduction	CEC 3.382

Hide %

Compulsory Employer Contrib

Figure 2: Employee % Standing line Deduction for CEC

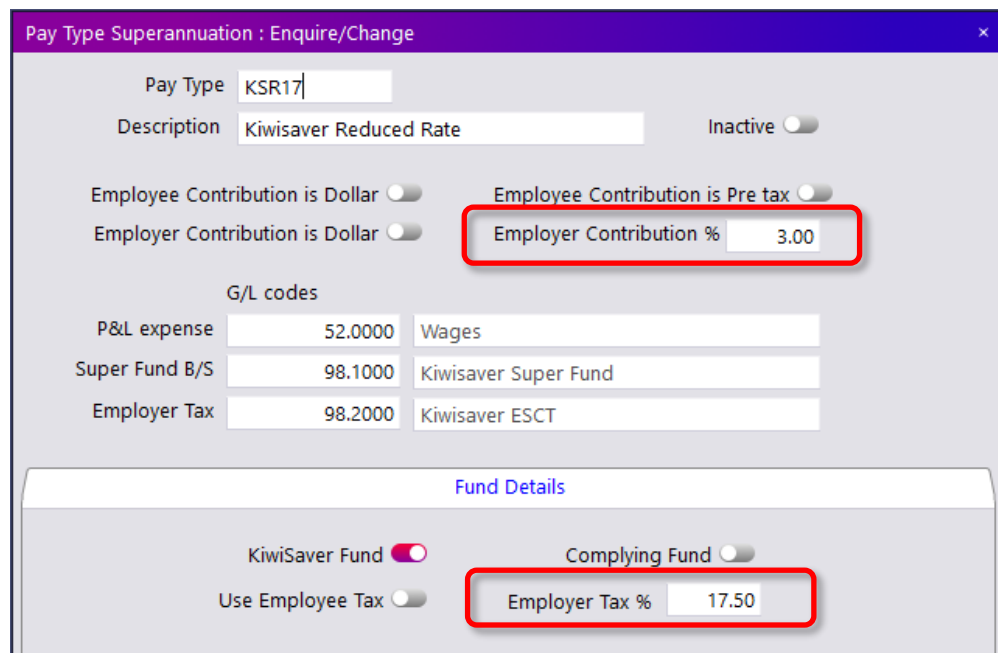
Temporary Rate Reductions

From 1 February 2026 members (employees) can apply to IRD for a temporary rate reduction from 3.5% to 3% applicable 1 April 2026.

The rate reduction also applies to employer contributions, allowing them to temporarily contribute at 3%.

The rate reduction can be approved for a minimum of three months to a maximum of 12 months. Members must reapply to extend it.

Any employees with an approved rate reduction will need a separate superannuation pay type with an employer contribution set to 3% and the correct ESCT:



Pay Type Superannuation : Enquire/Change

Pay Type: KSR17

Description: Kiwisaver Reduced Rate Inactive

Employee Contribution is Dollar Employee Contribution is Pre tax

Employer Contribution is Dollar **Employer Contribution %: 3.00**

G/L codes

P&L expense	52.0000	Wages
Super Fund B/S	98.1000	Kiwisaver Super Fund
Employer Tax	98.2000	Kiwisaver ESCT

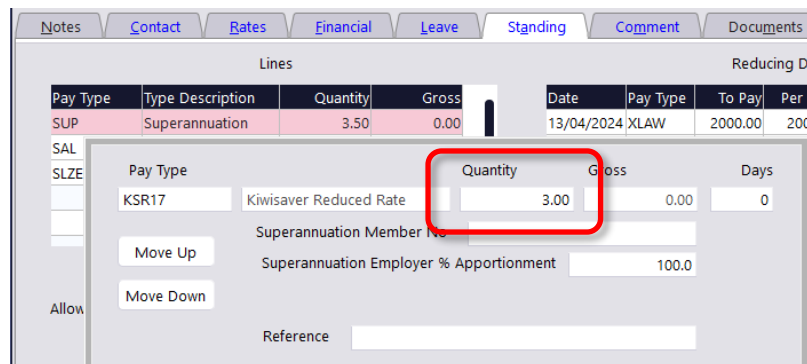
Fund Details

KiwiSaver Fund Complying Fund

Use Employee Tax **Employer Tax %: 17.50**

Figure 3: Reduced Rate pay type with 17.5% ECST

Use this pay type on the employee standing line and enter the approved reduced rate in the Quantity:



Notes Contact Rates Financial Leave Standing Comment Documents

Lines Reducing D

Pay Type	Type Description	Quantity	Gross	Date	Pay Type	To Pay	Per P
SUP	Superannuation	3.50	0.00	13/04/2024	XLAW	2000.00	200

SAL

SLZE

Pay Type: KSR17 Kiwisaver Reduced Rate **Quantity: 3.00** Gross: 0.00 Days: 0

Superannuation Member No: []

Superannuation Employer % Apportionment: 100.0

Reference: []

Move Up Move Down

Allow

Figure 4: Employee Reduced Rate Standing Line example

Create a **Follow-Up** to remind you to change the pay type on the standing line to one with an employer contribution of 3.5% on the required date:

- Hit the **F10** key when on the employee standing line screen:

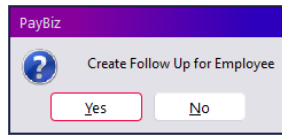


Figure 5: Confirmation

- or access via the menu: **Help > Follow-Ups**
- Enter the date the temporary rate reduction ends
- Enter a note to remind you on the required action:

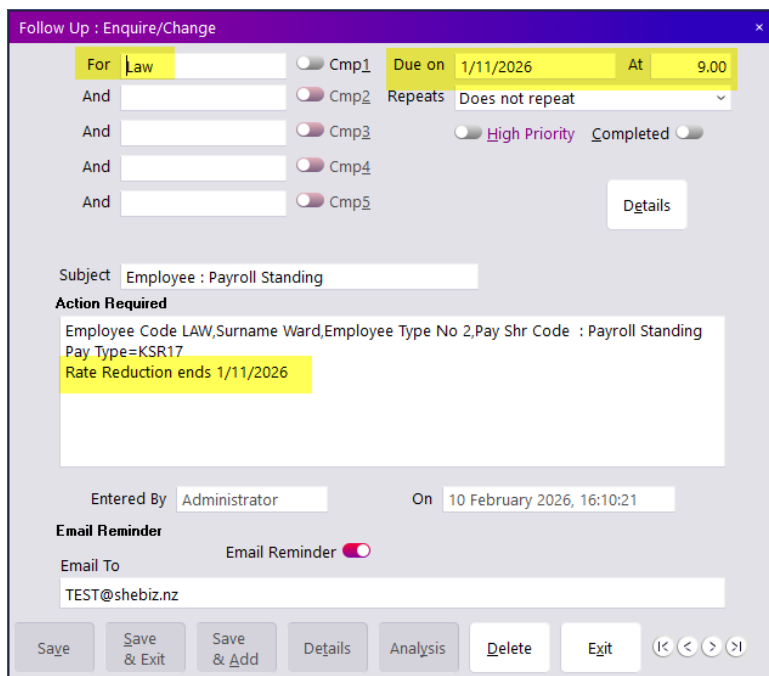


Figure 6: Follow-Up

- **Save & Exit**

When the **Due on** date and time are reached, a popup window will display at the bottom of the Paybiz application and an email will be sent if the **Email Reminder** is set to **ON**.

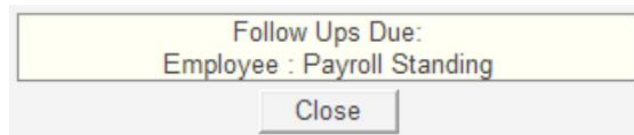


Figure 7: Follow-Up Reminder

- When the reminder pops up, open the Follow-Up in your application
The Follow-Ups window sits at the top left if there are any follow-ups due

-
- Click the **Details** button on the Follow Up to open the Employee record
 - Navigate to the **Standing tab**
 - Click on the KS standing line and change the pay type to the regular one with the current minimum employer contribution and correct ESCT
 - Update the quantity on the standing line to the current minimum employee contribution eg 3.5
 - Mark the Follow-Up as Complete by turning the **Complete** slider ON
 - Save & Exit

For further details please see the Follow-Ups documentation:
https://www.shebiz.nz/pbhelp/docs/PB_FollowUps.pdf