

2 Minutes on Super

NEWS, REMINDERS AND TIPS ABOUT YOUR SAVINGS

DECEMBER 2019



New video explains retirement options

We've made a number of changes to the PSS that make it more attractive for members who want to leave their money in the scheme when they retire. We're now a portfolio investment entity (PIE), which means PSS investment earnings can be taxed at rates based on individual members' incomes. Typically, your income drops in retirement, and you may qualify for a tax rate lower than the default rate of 28%. We've also introduced a facility to set up regular withdrawals so you can pay yourself a monthly income pension in retirement. We've produced a short video explaining these options.

[Watch the video](#)

[Read more about tax](#)

Vive la différence

This is the second of a series of extracts we'll be publishing from Mary Holm's bestselling book on saving and investment, *Rich Enough?* Mary is the author of six books on personal finance. She is a Qantas Media Award-winning columnist known for her personal finance column in the *Weekend Herald* and regular appearances on National Radio and is a director of Financial Services Complaints Limited (FSCL) and a former director of the Financial Markets Authority. In this extract, Mary looks at the role gender plays in investment decision making.



**rich
enough?**

A silver coin is placed over the letter 'o' in 'enough?'. The coin features a map of Australia and the text 'ONE DOLLAR'.

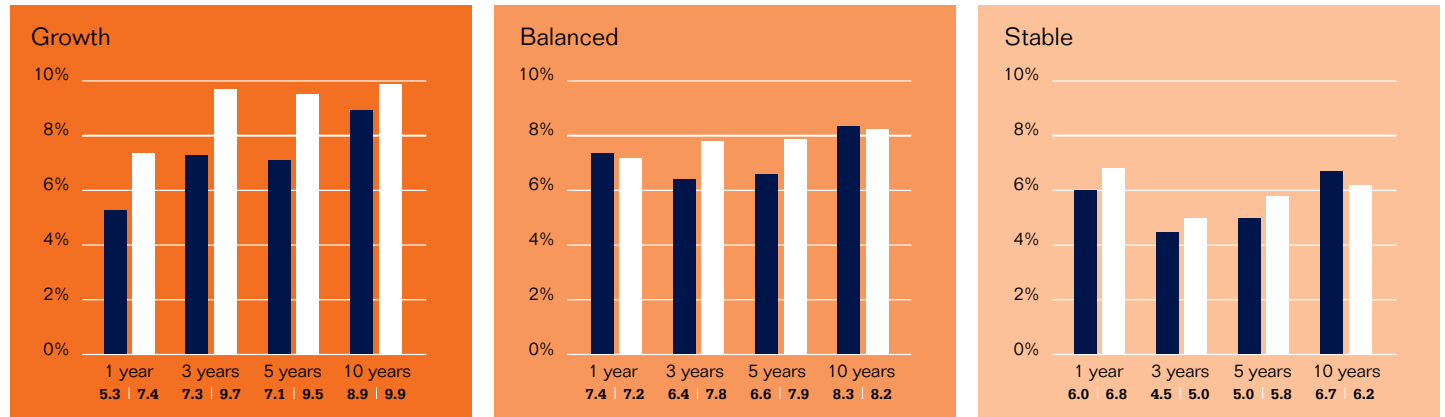
[Read about how men and women invest](#)

Comparing PSS and KiwiSaver returns and fees

The website includes a range of information about investment performance. We've added a feature: graphs to help you compare PSS against KiwiSaver. We'll update these graphs each quarter.

PSS vs KiwiSaver investment returns Periods ended 30 September 2019 (after fees and before tax)

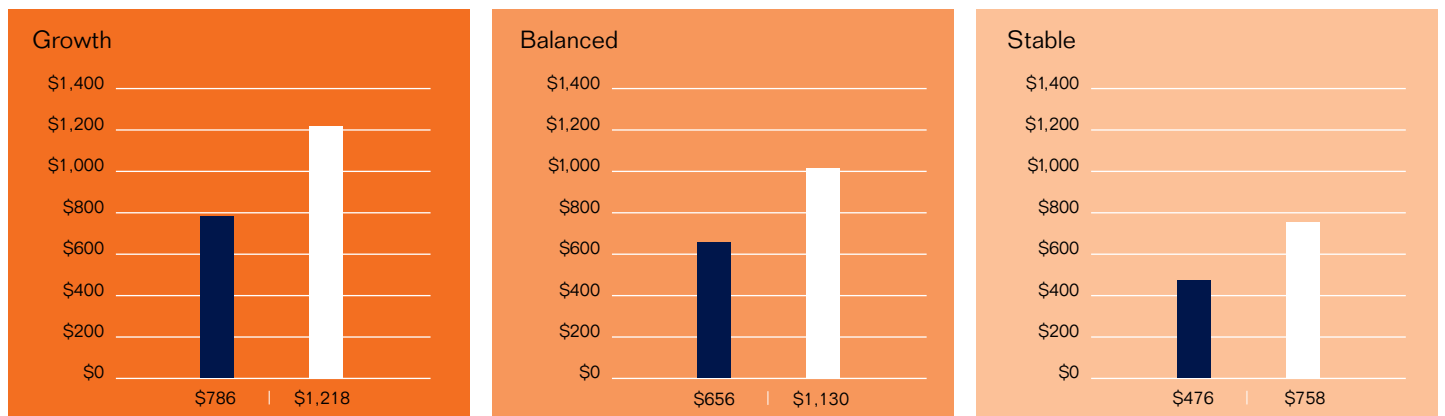
These graphs compare returns from our three main funds with comparable funds in the Morningstar KiwiSaver Report. It's worth noting that the scheme's investments are diversified across a wider range of asset classes than most KiwiSaver schemes, which have a higher concentration of, for example, New Zealand shares. This has served those schemes well over the last few years of the current market cycle. However, the directors believe our strategy will serve members well in the long term as it has done in previous market cycles.



■ PSS returns for the year to 30 September 2019 □ Average from Morningstar KiwiSaver Report 30 September 2019

Total fees charged for \$100,000 invested for one year

Fees also affect investment performance. As the Morningstar KiwiSaver Report notes, "fees are the one constant that will always eat away at your returns". Fees for PSS investment options are typically lower than many KiwiSaver funds. These graphs compare fees for our three main funds against the average for KiwiSaver schemes.



■ PSS at 30 September 2019 □ Average from Morningstar KiwiSaver Report 30 September 2019

[See the latest returns](#)

[Read more about fees](#)



New Board member

The Commissioner has appointed Assistant Commissioner Sandra Venables as his representative on the Board of PSS Trustees Limited, the company that looks after the scheme. Sandra is based at Police National Headquarters in Wellington. She leads Road Policing and Prevention, which includes the portfolios for Mental Health, Alcohol Harm, Family Violence and Youth. Sandra takes over from Superintendent Dave Trappitt who served as the Commissioner's representative on the Board from 2012 until August this year.

Why we can't accept lump sum contributions

Members often ask us if they can deposit lump sums into the scheme. Unfortunately, the answer is no. We cannot accept lump sum contributions due to our exemption from the provisions of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009. We have looked at the option of becoming compliant with the Act, but at this stage, we feel the ongoing administrative costs of doing so are prohibitive. However, you do have the option of making additional voluntary contributions through Payroll. You can choose to pay between 1% and 10% of salary on top of your usual contributions.

[Find out about making voluntary contributions](#)

Making forms easier to fill in

We've updated the forms on our website so you can fill them in online. We've also provided for electronic signatures. You can set up an electronic signature the first time you fill in a form. Your device will password protect and store the signature automatically so you can use it again at any time. You can still print the forms and fill them in by hand if you prefer.

Make sure we have your IRD number on file

As a PIE, Inland Revenue requires us to hold IRD numbers for all members. We already hold IRD numbers for constabulary members. However, if you're a Police employee or retained member and you haven't provided your IRD number, please email it to psscheme@mercercor.com. Make sure you include your membership number and full name.

Scheme year end will now be 31 March

We will move to a 31 March year end from 2020. This will allow us to provide PIE tax information to you in time for you to complete your annual tax return.

Benefit payments over the holidays

The last payment date for benefits for 2019 will be Friday 20 December. You need to factor this in if you are planning to withdraw money over the holidays. For a pre-Christmas payment, Mercer needs to receive the completed form from you (or Payroll in the case of leaving service payments) by **Friday 13 December**. At this point, we can't guarantee a pre-Christmas payment where a charge is registered against your super.



Happy holidays

We know the festive season is a busy time for police. However, we hope you manage to find time to enjoy with family and friends, reflect on the year past and recharge for the year ahead. If you do have questions about your super, the helpline will operate as usual over the holiday period.



Got a question?

policessuper.co.nz

You'll find plenty of information about the PSS and your membership online. Our website is optimised for mobile phones and tablets and has lots of features to help you manage your super.

0800 PSSSCHEME (0800 777 243)

The helpline hours are 9.00am to 7.00pm, Monday to Friday (except public holidays).