

Reprint  
as at 1 December 2014



**Government Superannuation Fund (Ceasing  
Contributions) Regulations 1995**  
(SR 1995/172)

Catherine A Tizard, Governor-General

**Order in Council**

At Wellington this 28th day of August 1995

Present:

The Right Hon D C McKinnon presiding in Council

Pursuant to section 97 of the Government Superannuation Fund Act 1956, Her Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

**Contents**

		Page
1	Title and commencement	3
2	Interpretation	3

**Part 1**

**Right to cease to be contributor and elect deferred pension or  
deferred lump sum**

3	Persons eligible to make cessation election	4
4	Time within which cessation elections to be made	5

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**Note**

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.  
Note 4 at the end of this reprint provides a list of the amendments incorporated.

**These regulations are administered by the Treasury.**

5	General provisions relating to elections	5
	<i>Old Government service superannuation</i>	
6	Deferred pension option under Part 2	5
7	Deferred lump sum option under Part 2	6
8	Refunds in respect of Part 2	7
	<i>New Government service superannuation</i>	
9	Deferred pension option under Part 2A	7
10	Deferred lump sum option under Part 2A	8
11	Refunds in respect of Part 2A	9
	<i>Superannuation of members of Armed Forces</i>	
12	Deferred pension option under Part 3A	9
13	Deferred lump sum option under Part 3A	10
14	Refunds in respect of Part 3A	10
	<i>Superannuation of Judges and Solicitor-General</i>	
15	Deferred pension option under Part 5A	11
16	Deferred lump sum option under Part 5A	11
17	Refunds in respect of Part 5A	12
	<i>Parliamentary superannuation</i>	
18	Deferred pension option under Part 6	13
19	Deferred lump sum option under Part 6	14
20	Refunds in respect of Part 6	15
	<i>Superannuation of members of Police</i>	
21	Deferred pension option under Part 6A	15
22	Deferred lump sum option under Part 6A	16
23	Refunds in respect of Part 6A	17
24	Medical disengagement under Part 6A	17
	<i>Superannuation of members of prisons service</i>	
25	Deferred pension option under Part 6B	18
26	Deferred lump sum option under Part 6B	19
27	Refunds in respect of Part 6B	20
	<b>Part 2</b>	
	<b>Right to cease to be contributor and transfer to Police Superannuation Scheme</b>	
	<i>Interpretation</i>	
28	Interpretation	20
	<i>Making transfer election</i>	
29	Persons eligible to make transfer election	21
30	Time limits for transfer to Police Superannuation Scheme	21
31	How to make transfer election	21

32	Effect of transfer election	22
33	Additional provisions relating to transfer elections made by people who have already made cessation elections	22
	<i>Payment of transfer values</i>	
34	Payment of transfer value	23
	<i>Calculation of transfer values for contributors who have not made earlier cessation election</i>	
35	Calculation of transfer value for contributors under 49½ years old who have not made earlier cessation election	23
36	Calculation of transfer value for contributors over 49½ years old who have not made an earlier cessation election	23
	<i>Calculation of transfer values for contributors who have made earlier cessation election</i>	
37	Calculation of transfer value for contributors under 49½ years old who have made earlier cessation election	24
38	Calculation of transfer value for contributors over 49½ years old who have made earlier cessation election	25
39	Calculation of refund under regulations 37 and 38	26

## **Regulations**

### **1 Title and commencement**

- (1) These regulations may be cited as the Government Superannuation Fund (Ceasing Contributions) Regulations 1995.
- (2) These regulations shall come into force on 1 October 1995.

### **2 Interpretation**

- (1) In these regulations, unless the context otherwise requires,—

**Act** means the Government Superannuation Fund Act 1956

**cessation election** means any election under section 28(1)(b) or section 61R(1)(b) or section 71JA or section 81OA or section 86FA or section 88HA of the Act, but does not include an election to transfer to the Police Superannuation Scheme under section 88HA(aa) of the Act

**contributing employer**, in relation to a person, means—

- (a) any department, Crown entity, or Office of Parliament (as those terms are defined in the Public Finance Act 1989) or other entity referred to in section 95(1) of the Act; and
- (b) any employer who made or makes payments in respect of the person's membership of a scheme under the Act

**effective date**, in relation to a cessation election, means the expiration of the day on which the notice is received by the Government Superannuation Fund Authority

**fund** includes the Judges Superannuation Account and the Parliamentary Superannuation Account

**increased in accordance with CPI** means increased by the percentage (if any) as certified by the Government Statistician by which the all groups index number of the New Zealand Consumer Price Index for the quarter which immediately precedes the date upon which the pension is first to be paid or the date on which the lump sum is to be paid, as the case may be, exceeds the index number for the quarter immediately following the effective date of the election

**qualifying scheme**, in relation to a person, means a registered superannuation scheme (other than a scheme under the Act) that is to be subsidised for the benefit of the person by a contributing employer, or, in the case of a person who is a contributor under Part 5A or Part 6 of the Act, out of public money in accordance with a determination of the Remuneration Authority

**registered superannuation scheme** means any retirement scheme (within the meaning of section 6(1) of the Financial Markets Conduct Act 2013)

**superannuable service**, in relation to any person, means—

- (a) any contributory service (excluding, except as provided in regulation 25(3)(c), any notional contributory service); and
  - (b) any period of subsidised membership of a qualifying scheme.
- (2) Any pension referred to in these regulations is to be regarded as a retiring allowance for the purposes of the Act.

Regulation 2(1) **cessation election**: amended, on 1 August 2005, by regulation 3 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

Regulation 2(1) **effective date**: substituted, on 2 October 2001, by section 41(1) of the Government Superannuation Fund Amendment Act 2001 (2001 No 47).

Regulation 2(1) **qualifying scheme**: amended, on 1 April 2003, pursuant to section 3(3) of the Remuneration Authority (Members of Parliament) Amendment Act 2002 (2002 No 54).

Regulation 2(1) **registered superannuation scheme**: amended, on 1 December 2014, by section 150 of the Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70).

## Part 1

### Right to cease to be contributor and elect deferred pension or deferred lump sum

Heading: substituted, on 1 August 2005, by regulation 4 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

#### 3 Persons eligible to make cessation election

Any person who has been accepted for membership of a qualifying scheme may make a cessation election.

**4 Time within which cessation elections to be made**

No cessation election for a deferred lump sum shall be accepted after the later of—

- (a) 6 months after the contributor first becomes entitled to become a member of any qualifying scheme; or
- (b) 1 April 1996.

**5 General provisions relating to elections**

- (1) Every cessation election—
  - (a) shall be in writing delivered to the Government Superannuation Fund Authority; and
  - (b) must be signed by the person making the election; and
  - (c) may be converted into an election for a refund at any time before any payment has been made from the fund pursuant to the election.
- (2) On the effective date of a cessation election the contributor shall cease to be a contributor to the fund.
- (3) No person who has ceased to be a contributor to the fund by virtue of a cessation election shall be entitled to contribute again to the fund.
- (4) No person who has made a cessation election shall become entitled to a deferred pension or a deferred lump sum until—
  - (a) he or she has made the further election provided for in these regulations; and
  - (b) the date specified in such an election has been reached.

Regulation 5(1)(a): amended, on 2 October 2001, pursuant to section 21 of the Government Superannuation Fund Amendment Act 2001 (2001 No 47).

Regulation 5(1)(b): substituted, on 1 August 2005, by regulation 5 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

*Old Government service superannuation*

**6 Deferred pension option under Part 2**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 28(1)(b)(i) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 20 years' superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing Government service; and
  - (c) 3 months after the date of the further election.

- (3) That pension is calculated under section 35 of the Act as if—
  - (a) the person had ceased Government service and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) the person's annual salary at that date was increased in accordance with CPI.
- (4) If a person dies before becoming entitled to a pension, death benefits calculated in accordance with section 45(1) or section 46 of the Act shall be payable (except that references in those sections to the rate of the retiring allowance to which the deceased contributor would have been entitled shall be read as if they were references to the rate of the deferred pension calculated in accordance with this regulation).
- (5) Nothing in this regulation limits sections 40, 48, 91, or section 91B of the Act.

#### **7 Deferred lump sum option under Part 2**

- (1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 28(1)(b)(ii) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 20 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing Government service; and
  - (c) the fifth anniversary of the effective date of the cessation election; and
  - (d) 3 months after the date of the further election.
- (3) The lump sum is the greater of—
  - (a) 12 times the annual rate of the pension calculated in accordance with subclause (4); or
  - (b) twice the total amount of the person's contributions that are in the fund,—

calculated at the effective date of the cessation election and increased in accordance with CPI.
- (4) The pension for the purposes of subclause (3) is calculated under section 35 of the Act as if—
  - (a) the person had ceased Government service and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) the person was aged 60 at that date.
- (5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not leave a spouse or partner, to that person's personal representatives in trust for

the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 7(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

## **8 Refunds in respect of Part 2**

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 20 years' superannuable service by the time he or she ceases to be employed in the Government service, a refund of his or her contributions shall be paid.
- (2) Every refund under regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall be calculated in accordance with section 42(1) and (2) of the Act.

### *New Government service superannuation*

## **9 Deferred pension option under Part 2A**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 61R(1)(b)(i) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing Government service; and
  - (c) 3 months after the date of the further election.
- (3) That pension is calculated under section 61L of the Act as if—
  - (a) subject to paragraph (c), the person had ceased Government service and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) the person was entitled to a pension under section 61I(4) of the Act; and
  - (c) the person had retired on the date on which the pension is first to be paid for the purpose of the definition of appropriate percentage in section 61L(1A) of the Act; and
  - (d) the person's final average earnings at the effective date of the cessation election were increased in accordance with CPI.
- (4) If a person dies before becoming entitled to a pension,—
  - (a) with less than 10 years' superannuable service, death benefits calculated in accordance with section 61R(8) of the Act shall be payable; or

(b) with more than 10 years' superannuable service, death benefits calculated in accordance with section 61S(4) of the Act shall be payable,—

(except that references in those sections to the rate of the retiring allowance to which the deceased contributor would have been entitled shall be read as if they were references to the rate of the deferred pension calculated in accordance with this regulation).

(5) Nothing in this regulation limits sections 40, 48, 91, or section 91B of the Act.

#### **10 Deferred lump sum option under Part 2A**

(1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 61R(1)(b)(ii) of the Act.

(2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—

- (a) attaining the age of 50; and
- (b) ceasing Government service; and
- (c) the fifth anniversary of the effective date of the cessation election; and
- (d) 3 months after the date of the further election.

(3) The lump sum is the greater of—

- (a) 12 times the annual rate of the pension calculated in accordance with subclause (4); or
- (b) twice the total amount of the person's contributions that are in the fund, increased, in respect of contributions paid in respect of any period after 1 May 1985 under any Part of the Act other than Part 2, Part 3, or Part 6, by 0.25% for every month beginning on or after that date during which the person was a contributor under any Part of the Act other than Part 2, Part 3, or Part 6,—

calculated at the effective date of the cessation election and increased in accordance with CPI.

(4) The pension for the purposes of subclause (3) is calculated under section 61L of the Act as if—

- (a) the person had ceased Government service and retired and become entitled to a pension on the effective date of the cessation election; and
- (b) the person was entitled to a pension under section 61I(4) of the Act; and
- (c) the person was aged 60 at the effective date of the cessation election for the purpose of the definition of appropriate percentage in section 61L(1A) of the Act.

(5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not

leave a spouse or partner, to that person's personal representatives in trust for the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 10(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

## **11 Refunds in respect of Part 2A**

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 10 years' superannuable service by the time he or she ceases to be employed in the Government service, a refund of his or her contributions shall be paid.
- (2) Every refund under regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall, if the person has ceased Government service, be increased, in respect of contributions paid in respect of any period after 1 May 1985 under any Part of the Act other than Part 2, Part 3, or Part 6, by 0.25% for every month beginning on or after that date between the date on which the person became a contributor under Part 2A of the Act and the date on which the refund is paid.

### *Superannuation of members of Armed Forces*

## **12 Deferred pension option under Part 3A**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 71JA(a)(i) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 20 years' superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the later of—
  - (a) being discharged or released from the regular forces; and
  - (b) 3 months after the date of the further election.
- (3) That pension is calculated under section 71G of the Act as if—
  - (a) the person had been discharged or released from the regular forces and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) the person's final earnings at that date were increased in accordance with CPI.
- (4) If a person dies before becoming entitled to a pension, death benefits calculated in accordance with section 71K(9) and (10) of the Act shall be payable (except that references in that section to the rate of the retiring allowance to which the deceased contributor would have been entitled shall be read as if they were ref-

erences to the rate of the deferred pension calculated in accordance with this regulation).

- (5) Nothing in this regulation limits sections 40, 48, 71M, or section 91B of the Act.

### **13 Deferred lump sum option under Part 3A**

- (1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 71JA(a)(ii) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 20 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—
- (a) being discharged or released from the regular forces; and
  - (b) the fifth anniversary of the effective date of the cessation election; and
  - (c) 3 months after the date of the further election.
- (3) The lump sum is the greater of—
- (a) 12 times the annual rate of the pension calculated in accordance with subclause (4); or
  - (b) twice the total amount of the person's contributions that are in the fund, increased, in respect of contributions paid in respect of any period of contributory service under Part 3 or Part 3A of the Act, by 0.25% for every month during which the person was a contributor under Part 3 or Part 3A of the Act,—

calculated at the effective date of the cessation election and increased in accordance with CPI.

- (4) The pension for the purposes of subclause (3) is calculated under section 71G of the Act as if the person had been discharged or released from the regular forces and retired and become entitled to a pension on the effective date of the cessation election.
- (5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not leave a spouse or partner, to that person's personal representatives in trust for the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 13(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

### **14 Refunds in respect of Part 3A**

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 20 years' superannuable service by the time he or

she is discharged or released from the regular forces, a refund of his or her contributions shall be paid.

- (2) Every refund under section 71JA(b) of the Act or regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall, if the person has been discharged or released from the regular forces, be increased, in respect of contributions paid in respect of any period of contributory service under Part 3 or Part 3A of the Act, by 0.25% for every month between the date on which the person became a contributor under Part 3 or Part 3A of the Act and the date on which the refund is paid.

### *Superannuation of Judges and Solicitor-General*

#### **15 Deferred pension option under Part 5A**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 81OA(a)(i) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing judicial service; and
  - (c) 3 months after the date of the further election.
- (3) That pension is calculated under section 81I of the Act as if—
  - (a) the person had ceased judicial service and retired and become entitled to a retiring allowance on the effective date of the cessation election; and
  - (b) the person's salary at that date was increased in accordance with CPI.
- (4) If a person dies before becoming entitled to a pension, death benefits calculated in accordance with section 81Q of the Act shall be payable (except that references in that section to the rate of the retiring allowance to which the deceased Judge would have been entitled shall be read as if they were references to the rate of the deferred pension calculated in accordance with this regulation).
- (5) Nothing in this regulation limits sections 40, 48, 91, or section 91B of the Act.

#### **16 Deferred lump sum option under Part 5A**

- (1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 81OA(a)(ii) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—

- (a) attaining the age of 50; and
  - (b) ceasing judicial service; and
  - (c) the fifth anniversary of the effective date of the cessation election; and
  - (d) 3 months after the date of the further election.
- (3) The lump sum is the greater of—
  - (a) 12 times the annual rate of the pension calculated in accordance with subclause (4); or
  - (b) twice the total amount of the person's contributions that are in the Judges Superannuation Account, increased, in respect of contributions paid in respect of any period after 1 May 1985 under Part 4 or Part 5A of the Act, by 0.25% for every month beginning on or after that date during which the person was a contributor under Part 4 or Part 5A of the Act,—  
calculated at the effective date of the cessation election and increased in accordance with CPI.
- (4) The pension for the purposes of subclause (3) is calculated under section 81I of the Act as if—
  - (a) the person had ceased judicial service and retired and become entitled to a retiring allowance on the effective date of the cessation election; and
  - (b) the person was aged 68 at the effective date of the cessation election.
- (5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not leave a spouse or partner, to that person's personal representatives in trust for the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 16(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

## **17 Refunds in respect of Part 5A**

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 10 years' superannuable service by the time he or she ceases judicial service, a refund of his or her contributions shall be paid.
- (2) Every refund under section 81OA of the Act or regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall, if the person has ceased judicial service, be increased, in respect of contributions paid in respect of any period after 1 May 1985 under Part 4 or Part 5A of the Act, by 0.25% for every month beginning on or after that date between the date on which the person became a contributor under Part 4 or Part 5A of the Act and the date on which the refund is paid.

*Parliamentary superannuation*

**18 Deferred pension option under Part 6**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 86FA(a)(i) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 9 years' superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the latest of—

- (a) attaining the age of 50; and
- (b) ceasing to be a member; and
- (c) 3 months after the date of the further election.

- (3) That pension is calculated under section 84 of the Act as if—

- (a) the person had ceased to be a member and retired and become entitled to a pension on the effective date of the cessation election; and
- (b) for the purpose of the definition of pension percentage in section 84(4) of the Act, where the person's superannuable service at the date upon which the pension is first to be paid exceeds 20 years, P is calculated in accordance with the following formula:

$$[(20 - y) \div 30] + [(x + y - 20) \div 120]$$

where—

- x is the number of years of the person's contributory service; and
- y is the number of years of the person's membership of a qualifying scheme that was subsidised out of public money in accordance with a determination of the Remuneration Authority,—

except that if y is greater than 20, then P shall be

$$x \div 120$$

- (4) If a person dies before becoming entitled to a pension, death benefits calculated in accordance with section 86A or section 86B or section 86D of the Act shall be payable (except that references in those sections to the rate of the retiring allowance to which the deceased member or person would have been entitled shall be read as if they were references to the rate of the deferred pension calculated in accordance with this regulation).
- (5) Nothing in this regulation limits sections 40, 48, 91, or section 91B of the Act.

Regulation 18(3)(b) formula item y: amended, on 1 April 2003, pursuant to section 3(3) of the Remuneration Authority (Members of Parliament) Amendment Act 2002(2002 No 54).

**19 Deferred lump sum option under Part 6**

- (1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 86FA(a)(ii) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 9 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—
- attaining the age of 50; and
  - ceasing to be a member; and
  - the fifth anniversary of the effective date of the cessation election; and
  - 3 months after the date of the further election.
- (3) The lump sum is the greater of—
- 12 times the annual rate of the pension calculated in accordance with subclause (4); or
  - twice the total amount of the person's contributions that are in the Parliamentary Superannuation Account,—
- calculated at the effective date of the cessation election and increased in accordance with CPI.
- (4) The pension for the purposes of subclause (3) is calculated under section 84 of the Act as if—
- the person had ceased to be a member and retired and become entitled to a pension on the effective date of the cessation election; and
  - for the purpose of the definition of pension percentage in section 84(4) of the Act, where the person's superannuable service at the date upon which the lump sum is to be paid exceeds 20 years, P is calculated in accordance with the following formula:
- $$[(20 - y) \div 30] + [(x + y - 20) \div 120]$$
- where—
- x is the number of years of the person's contributory service; and
  - y is the number of years of the person's membership of a qualifying scheme that was subsidised out of public money in accordance with a determination of the Remuneration Authority,—
- except that if y is greater than 20, then P shall be
- $$x \div 120$$
- the person had become entitled to a pension on attaining the age of 50 or attaining 9 years' contributory service, whichever is the later.
- (5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not

leave a spouse or partner, to that person's personal representatives in trust for the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 19(4)(b) formula item y: amended, on 1 April 2003, pursuant to section 3(3) of the Remuneration Authority (Members of Parliament) Amendment Act 2002(2002 No 54).

Regulation 19(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

## **20 Refunds in respect of Part 6**

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 9 years' superannuable service by the time he or she ceases to be a member, a refund of his or her contributions shall be paid.
- (2) Every refund under section 86FA(b) of the Act or regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall, if the person has ceased to be a member, be twice the person's contributions to the Parliamentary Superannuation Account.

### *Superannuation of members of Police*

## **21 Deferred pension option under Part 6A**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 88HA(a)(i) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing to be a member of the Police; and
  - (c) 3 months after the date of the further election.
- (3) That pension is calculated under section 88F of the Act as if—
  - (a) subject to paragraph (b), the person had ceased to be a member of the Police and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) the person had retired on the date on which the pension is first to be paid for the purpose of the definition of appropriate percentage in section 88F(2A) of the Act; and
  - (c) section 88F(2B) of the Act applies in determining the person's contributory service; and
  - (d) the person's final average earnings at the effective date of the cessation election were increased in accordance with CPI.
- (4) If a person dies before becoming entitled to a pension,—

- (a) with less than 10 years' superannuable service, death benefits calculated in accordance with section 61R(8) (as applied by section 88M) of the Act shall be payable; or
- (b) with more than 10 years' superannuable service, death benefits calculated in accordance with section 61S(4) (as applied by section 88H) of the Act shall be payable,—

(except that references in that section to the rate of the retiring allowance to which the deceased contributor would have been entitled shall be read as if they were references to the rate of the deferred pension calculated in accordance with this regulation).

- (5) Nothing in this regulation limits sections 40, 48, 91, or section 91B of the Act.

## **22 Deferred lump sum option under Part 6A**

- (1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 88HA(a)(ii) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing to be a member of the Police; and
  - (c) the fifth anniversary of the effective date of the cessation election; and
  - (d) 3 months after the date of the further election.
- (3) The lump sum is the greater of—
  - (a) 12 times the annual rate of the pension calculated in accordance with subclause (4); or
  - (b) twice the total amount of the person's contributions that are in the fund, increased, in respect of contributions paid in respect of any period after 1 May 1985 under Part 2A or Part 6A of the Act, by 0.25% for every month beginning on or after that date during which the person was a contributor under Part 2A or Part 6A of the Act,  
calculated at the effective date of the cessation election and increased in accordance with CPI.
- (4) The pension for the purposes of subclause (3) is calculated under section 88F of the Act as if—
  - (a) the person had ceased to be a member of the Police and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) section 88F(2B) of the Act applies in determining the person's contributory service; and

- (c) the person was aged 55 at the effective date of the cessation election for the purpose of the definition of appropriate percentage in section 88F(2A) of the Act.
- (5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not leave a spouse or partner, to that person's personal representatives in trust for the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 22(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

### **23 Refunds in respect of Part 6A**

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 10 years' superannuable service by the time he or she ceases to be a member of the Police, a refund of his or her contributions that are in the fund shall be paid.
- (2) Every refund under section 88HA(b) of the Act or regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall, if the person has ceased to be a member of the Police, be increased, in respect of contributions paid in respect of any period after 1 May 1985 under Part 2A or Part 6A of the Act, by 0.25% for every month beginning on or after that date between the date on which the person became a contributor under Part 2A or Part 6A of the Act and the date on which the refund is paid.

### **24 Medical disengagement under Part 6A**

- (1) Any person who has made a cessation election and later leaves the Police under section 28 of the Police Act 1958 may elect to revoke the cessation election and instead exercise an option conferred by Part 6A of the Act.
- (2) Any person who has made a cessation election and later leaves the Police under section 28C or section 28D of the Police Act 1958 may, before attaining the age of 50 years, elect to revoke the cessation election and instead exercise an option conferred by Part 6A of the Act.
- (2A) Any person who has made a cessation election and later leaves the Police under section 74 or 76 of the Policing Act 2008 may, before attaining the age of 50 years, elect to revoke the cessation election and instead exercise an option conferred by Part 6A of the Act.
- (3) Any such election shall be in writing delivered to the Government Superannuation Fund Authority.
- (4) No such election may be made if any payment has been made from the fund pursuant to the cessation election.
- (5) For the purpose of applying the Act to a person who revokes a cessation election under this regulation,—

- (a) references in section 88G(2) of the Act to “total contributions paid by the contributor as a member of the Police” do not include contributions paid other than to the fund;
- (b) any benefit under Part 6A of the Act—
  - (i) is calculated as if the person had ceased to be a member of the Police and retired and become entitled to a benefit on the effective date of the cessation election; and
  - (ii) is increased in accordance with CPI;
- (c) interest of 0.25% per month is not payable under section 88G of the Act in respect of any period after the date of the cessation election.

Regulation 24(2A): inserted, on 1 October 2008, by section 130(3) of the Policing Act 2008 (2008 No 72).

Regulation 24(3): amended, on 2 October 2001, pursuant to section 21 of the Government Superannuation Fund Amendment Act 2001 (2001 No 47).

### *Superannuation of members of prisons service*

#### **25 Deferred pension option under Part 6B**

- (1) This regulation sets out the terms and conditions of an election for a deferred pension under section 61R(1)(b)(i) (as applied by section 88PA) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years’ superannuable service, make a further election to receive a pension which shall commence to be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing to be a member of the prisons service; and
  - (c) 3 months after the date of the further election.
- (3) That pension is calculated under section 88T of the Act as if—
  - (a) subject to paragraph (b), the person had ceased to be a member of the prisons service and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) the person had retired on the date on which the pension is first to be paid for the purpose of the definition of appropriate percentage in section 88T(2A) of the Act; and
  - (c) section 88R of the Act applies in determining the contributor’s contributory service; and
  - (d) the person’s final average earnings at the effective date of the cessation election were increased in accordance with CPI.
- (4) If a person dies before becoming entitled to a pension,—

- (a) with less than 10 years' superannuable service, death benefits calculated in accordance with section 61R(8) of the Act shall be payable; or
  - (b) with more than 10 years' superannuable service, death benefits calculated in accordance with section 61S(4) of the Act shall be payable,—  
(except that references in those sections to the rate of the retiring allowance to which the deceased contributor would have been entitled shall be read as if they were references to the rate of the deferred pension calculated in accordance with this regulation).
- (5) Nothing in this regulation limits sections 40, 48, 91, or section 91B of the Act.

**26 Deferred lump sum option under Part 6B**

- (1) This regulation sets out the terms and conditions of an election for a deferred lump sum under section 61R(1)(b)(ii) (as applied by section 88PA) of the Act.
- (2) The person leaves his or her contributions in the fund on the basis that the person may, if he or she has not less than 10 years' superannuable service, make a further election to receive a lump sum which shall be payable to the person on such date as the person may elect being a date on or after the latest of—
  - (a) attaining the age of 50; and
  - (b) ceasing to be a member of the prisons service; and
  - (c) the fifth anniversary of the effective date of the cessation election; and
  - (d) 3 months after the date of the further election.
- (3) The lump sum is the greater of—
  - (a) 12 times the annual rate of the pension calculated in accordance with subclause (4); or
  - (b) twice the total amount of the person's contributions that are in the fund, increased, in respect of contributions paid in respect of any period after 1 May 1985 under any Part of the Act other than Part 2, Part 3, or Part 6, by 0.25% for every month beginning on or after that date during which the person was a contributor under any Part of the Act other than Part 2, Part 3, or Part 6,—  
calculated at the effective date of the cessation election and increased in accordance with CPI.
- (4) The pension for the purposes of subclause (3) is calculated under section 88T of the Act as if—
  - (a) the person had ceased to be a member of the prisons service and retired and become entitled to a pension on the effective date of the cessation election; and
  - (b) section 88R of the Act applies in determining the contributor's contributory service; and

- (c) the person was aged 58 at the effective date of the cessation election for the purpose of the definition of appropriate percentage in section 88T(2A) of the Act.
- (5) If the person dies before becoming entitled to the lump sum, the lump sum shall be payable to the person's spouse or partner or, if the person does not leave a spouse or partner, to that person's personal representatives in trust for the persons entitled to receive it under that person's will or under the Acts relating to the distribution of intestate estates.

Regulation 26(5): amended, on 26 April 2005, by section 12 of the Relationships (Statutory References) Act 2005 (2005 No 3).

## 27 Refunds in respect of Part 6B

- (1) If a person who has made a cessation election for a deferred pension or a deferred lump sum has less than 10 years' superannuable service by the time he or she ceases to be a member of the prisons service, a refund of his or her contributions shall be paid.
- (2) Every refund under regulation 5(1)(c) of these regulations or subclause (1) of this regulation shall, if the person has ceased to be a member of the prisons service, be increased, in respect of contributions paid in respect of any period after 1 May 1985 under any Part of the Act other than Part 2, Part 3, or Part 6, by 0.25% for every month beginning on or after that date between the date on which the person became a contributor under any Part of the Act other than Part 2, Part 3, or Part 6 and the date on which the refund is paid.

## Part 2

### Right to cease to be contributor and transfer to Police Superannuation Scheme

Part 2: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

#### *Interpretation*

Heading: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

## 28 Interpretation

In this Part, unless the context otherwise requires,—

**commencement day** means the day on which this Part comes into force

**earlier cessation election** means a cessation election that was made under section 88HA(a) or (b) of the Act before a transfer election was made

**Police Superannuation Scheme** means the Police Superannuation Scheme registered under Part 1 of the Superannuation Schemes Act 1989 on 20 November 1992

**transfer date** means the date on which the transfer value is paid to the Police Superannuation Scheme under regulation 34

**transfer election** means an election under section 88HA(aa) of the Act to cease to be a contributor to the fund and to transfer to the Police Superannuation Scheme

**transfer value** means the amount that must be paid from the fund to the Police Superannuation Scheme when a person makes a transfer election.

Regulation 28: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

### *Making transfer election*

Heading: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

## **29 Persons eligible to make transfer election**

- (1) Any member of the Police who has been accepted for membership of the Police Superannuation Scheme may make a transfer election.
- (2) This regulation is subject to regulation 30.

Regulation 29: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

## **30 Time limits for transfer to Police Superannuation Scheme**

A person may only make a transfer election,—

- (a) if the person is less than 49½ years old on the commencement date, before the person turns 50 or before the close of the third anniversary of the commencement date, whichever occurs first; or
- (b) if the person is 49½ years old or older on the commencement date, before the close of 6 months after the commencement date.

Regulation 30: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

## **31 How to make transfer election**

- (1) A person must make a transfer election by delivering to the Government Superannuation Fund Authority a written notice of election signed by the person making the election.
- (2) The transfer election must also comply with the following requirements:
  - (a) the signature of the person making the election must be witnessed by an investment adviser; and
  - (b) the investment adviser must certify on the notice of election that—
    - (i) he or she is an investment adviser; and

- (ii) before the person making the election signed the election notice, the investment adviser explained to that person the effect and implications of the transfer election.
- (3) In subclause (2), **investment adviser** has the same meaning as in section 2(1) of the Investment Advisers (Disclosure) Act 1996.

Regulation 31: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

### **32 Effect of transfer election**

- (1) A person who makes a transfer election ceases to be a contributor to the fund on the transfer date, and is not entitled to contribute again to the fund.
- (2) A person who makes a transfer election ceases, from the transfer date, to have any entitlements under the Act or these regulations by virtue of his or her contributions to the fund under Part 6A of the Act.
- (3) A transfer election may be converted into an election for a refund at any time before any payment has been made from the fund under the transfer election.

Regulation 32: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

### **33 Additional provisions relating to transfer elections made by people who have already made cessation elections**

- (1) This regulation applies to any person who—
  - (a) has made an earlier cessation election; and
  - (b) has not received any payment from the fund pursuant to the earlier cessation election; and
  - (c) wishes to transfer to the Police Superannuation Scheme.
- (2) The person must revoke the earlier cessation election at the same time as making a transfer election.
- (3) The effect of the revocation of the earlier cessation election is that,—
  - (a) as of the transfer date, the person's entitlements under the earlier cessation election cease; and
  - (b) the person is a contributor to the fund solely for the purpose of the making of the transfer election.
- (4) This Part does not alter the contributor's status between the effective date of the earlier cessation election and the transfer date.

Regulation 33: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

*Payment of transfer values*

Heading: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

**34 Payment of transfer value**

- (1) The Government Superannuation Fund Authority or its nominee must pay the transfer value to the Police Superannuation Scheme as soon as practicable after the transfer election is received.
- (2) One-third of the transfer value must be paid to the member's account (as defined in the Police Superannuation Scheme) for the person who has made the transfer election.
- (3) Two-thirds of the transfer value must be paid to the employer's No 1 account (as defined in the Police Superannuation Scheme) for that person.

Regulation 34: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

*Calculation of transfer values for contributors who have not made earlier  
cessation election*

Heading: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

**35 Calculation of transfer value for contributors under 49½ years old who have not made earlier cessation election**

- (1) This regulation sets out how the transfer value must be calculated in respect of a person who is less than 49½ years old on the commencement date and who has not made an earlier cessation election.
- (2) The person's transfer value is the disengagement amount.
- (3) The **disengagement amount** is the amount that would be paid to the person under section 88G of the Act—
  - (a) if the person had ceased to be a member of the Police by voluntary disengagement under section 28D of the Police Act 1958 on the earlier of the transfer date or the person's 50th birthday; and
  - (b) if the person had elected to receive a refund payable under section 88G(1) of the Act.

Regulation 35: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

**36 Calculation of transfer value for contributors over 49½ years old who have not made an earlier cessation election**

- (1) This regulation sets out how the transfer value must be calculated in respect of a person who is 49½ years old or older on the commencement date and who has not made an earlier cessation election.

- (2) The person's transfer value is the total of the disengagement amount plus accrued benefits (if any), as that total is increased by CPI.
- (3) The **disengagement amount** is the amount that would be paid to the person under section 88G of the Act—
- (a) if the person had ceased to be a member of the Police by voluntary disengagement under section 28D of the Police Act 1958 on the earlier of the transfer date or the person's 50th birthday; and
  - (b) if the person had elected to receive a refund payable under section 88G(1) of the Act.
- (4) The **accrued benefits** are the following benefits for the period beginning on the date of the person's 50th birthday and ending on the transfer date:
- (a) accrued employer contributions at the appropriate rate of the person's gross salary that the the Authority determines under section 95 of the Act; and
  - (b) accrued employee contributions of 7.5% of the person's gross salary.
- (5) **Increased by CPI** means increased by the percentage increase (if any) as certified by the Government Statistician by which the all groups index number of the New Zealand Consumer Price Index for the quarter that was published most recently before the transfer date exceeds the index number for the quarter ending immediately following the person's 50th birthday.

Regulation 36: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

Regulation 36(4)(a): amended, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

*Calculation of transfer values for contributors who have made earlier  
cessation election*

Heading: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

**37 Calculation of transfer value for contributors under 49½ years old who have made earlier cessation election**

- (1) This regulation sets out how the transfer value must be calculated in respect of a person who is less than 49½ years old on the commencement date and who has made an earlier cessation election.
- (2) The person's transfer value is the disengagement amount, increased by CPI.
- (3) The **disengagement amount** is the amount that would be paid to the person under section 88G of the Act—
- (a) if the person had ceased to be a member of the Police by voluntary disengagement under section 28D of the Police Act 1958 on the effective date of the earlier cessation election; and

- (b) if the person had elected to receive a refund payable under section 88G(1) of the Act.
- (4) **Increased by CPI** means increased by the percentage increase (if any) as certified by the Government Statistician by which the all groups index number of the New Zealand Consumer Price Index for the quarter that was published most recently before the transfer date exceeds the index number for the quarter ending immediately following the effective date of the earlier cessation election.

Regulation 37: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

**38 Calculation of transfer value for contributors over 49½ years old who have made earlier cessation election**

- (1) This regulation sets out how the transfer value must be calculated in respect of a person who is 49½ years old or older on the commencement date and who has made an earlier cessation election.
- (2) The person's transfer value is the total of the disengagement amount and accrued benefits (if any), as that total is increased by CPI.
- (3) The **disengagement amount** is the amount that would be paid to the person under section 88G of the Act—
  - (a) if the person had ceased to be a member of the Police by voluntary disengagement under section 28D of the Police Act 1958 on the earlier of the effective date of the earlier cessation election or the person's 50th birthday; and
  - (b) if the person had elected to receive a refund payable under section 88G(1) of the Act.
- (4) The **accrued benefits** are the following benefits for the period beginning on the date of the person's 50th birthday and ending on the effective date of the earlier cessation election:
  - (a) accrued employer contributions at the appropriate rate of the person's gross salary that the the Authority determines under section 95 of the Act; and
  - (b) accrued employee contributions of 7.5% of the person's gross salary.
- (5) **Increased by CPI** means increased by the percentage increase (if any) as certified by the Government Statistician by which the all groups index number of the New Zealand Consumer Price Index for the quarter that was published most recently before the transfer date exceeds the index number for the quarter ending immediately following the earlier of the date of the person's 50th birthday or the effective date of the earlier cessation election.

Regulation 38: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

Regulation 38(4)(a): amended, on 1 May 2011, by section 82 of the Financial Markets Authority Act 2011 (2011 No 5).

**39 Calculation of refund under regulations 37 and 38**

For the purpose of calculating the refund payable under section 88G(1) of the Act under regulation 37 or regulation 38,—

- (a) references in section 88G(2) of the Act to “total contributions paid by the contributor as a member of the Police” do not include contributions paid other than to the fund:
- (b) interest of 0.25% per month is not payable under section 88G of the Act in respect of any period after the effective date of the earlier cessation election.

Regulation 39: added, on 1 August 2005, by regulation 6 of the Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146).

Diane Wilderspin,  
Acting for Clerk of the Executive Council.

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## **Reprints notes**

### **1 *General***

This is a reprint of the Government Superannuation Fund (Ceasing Contributions) Regulations 1995 that incorporates all the amendments to those regulations as at the date of the last amendment to them.

### **2 *Legal status***

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

### **3 *Editorial and format changes***

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### **4 *Amendments incorporated in this reprint***

Financial Markets (Repeals and Amendments) Act 2013 (2013 No 70): section 150

Financial Markets Authority Act 2011 (2011 No 5): section 82

Policing Act 2008 (2008 No 72): section 130(3)

Government Superannuation Fund (Ceasing Contributions) Amendment Regulations 2005 (SR 2005/146)

Relationships (Statutory References) Act 2005 (2005 No 3): section 12

Remuneration Authority (Members of Parliament) Amendment Act 2002 (2002 No 54): section 3(3)

Government Superannuation Fund Amendment Act 2001 (2001 No 47): sections 21, 41(1)