



1 April 2025

Tēnā koe

### **Official Information Act Request**

Thank you for your email of 5 March 2025, requesting information about policy documents, guidance and internal procedures regarding overseas pension and associated applications.

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on each part of your request set out separately below.

- 1. The Ministry's policies, guidelines and instructions used by the International Services group in establishing a possible entitlement to an overseas pension and instructions and training on how these are to be applied.*
- 2. The specific material used by International Services pertinent to establishing a possible entitlement to a social security pension from the United States of America.*

This information can be found in the attached **Appendix**, as well as through the following link: [www.workandincome.govt.nz/map/to-or-from-overseas/payments-from-overseas/possible-overseas-pension-entitlement.html](http://www.workandincome.govt.nz/map/to-or-from-overseas/payments-from-overseas/possible-overseas-pension-entitlement.html)

- 3. Specific material on the types of information (including information supplied by the client) that can or should be taken into account by the International Services Group in establishing that a client is or is not potentially entitled to an overseas pension and is therefore required or not required to apply to the overseas country for a pension.*

This information can also be found within the **Appendix** and on the application form for New Zealand Superannuation (NZS) linked here: [www.workandincome.govt.nz/documents/forms/new-zealand-superannuation-application.pdf](http://www.workandincome.govt.nz/documents/forms/new-zealand-superannuation-application.pdf)

- 4. Specific material on the types of information (including information and/or statements supplied by the client) that may not be taken into account by the International Services Group and must be excluded in establishing that a client is or is not potentially entitled to an overseas pension, and is therefore required or not required to apply to the overseas country for a pension.*

Your request for this information is refused under section 18(e) of the Act as this information does not exist.

5. Policies, guidelines and supporting legislation that deem that a client may have an entitlement to a USA pension and must apply for one solely on the basis that they were in the USA for a period of more than 10 years, irrespective of other information that reasonably shows that no entitlement to a US social security pension will exist.

The policy and guidelines regarding potential entitlement to a USA pension is contained in the **Appendix**. The legislation which applies to overseas pensions is laid out in the first link provided above.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or 0800 802 602.

Nga mihi nui

pp. 

Anna Graham

General Manager

Ministerial and Executive Services

Pulled from the International Services Knowledge Base on 25/3/2025

## The Basic Stages of Testing

Click here to expand...

- When a client applies for a NZ payment, if they provide details about residency in any country other than New Zealand, they are added to the testing tool (T2) via an IT report.
- The Testing Team screen each client, comparing their declared overseas residence to the [Direct Deduction list](#) (DD list\*) to see if the client meets the criteria to potentially be entitled to a pension or benefit from another country. **Please note: We have temporary criteria from time to time, refer to a senior tester if you have any questions.**
- Clients who need to apply for an overseas pension are sent a letter and/or application pack.
- The Testing Team manages the application process until a completed application is sent to the appropriate overseas agency.
- The result of the application is managed by International Services who update T2 to record the result of testing and reassess the client's NZ entitlement

## The Direct Deduction Lists

Click here to expand...

The Direct Deduction list A.K.A MĀLAMA contains information for all the countries that we test for (and even some that we don't).

The Direct Deduction lists can be found in this [link\\*](#).

Each list will tell you:

- if there is a deductible pension available from that country,
- the basic eligibility criteria for that pension,
- the address of the overseas agency responsible for administering each pension,
- pensions that are considered not deductible from any New Zealand entitlement

\*See appendix

## Screening Introduction and Overview

Clients who have registered to receive payments from NZ and provided their overseas residency details are loaded into T2 via an IAP report. These clients need to be screened to see if they need to apply for an Overseas pension (OSP)

Screening is guided by the [Direct Deduction Lists\\*](#) (DD Lists) on Doogle. This shows the basic criteria for a client to be eligible to be tested.

From time to time we also have alternative criteria to manage our workload, (i.e. due to covid). Check with your manager or a senior team member if you are unsure.

This is generally as follows:

Aus - More than 4 years (instead of 1-4 depending on the reason they were there)

Other Recip - More than 4 years

UK - More than 10 years

Non-Recip - More than 10 years (unless the criteria is higher)

This only applies once they have reached the age of eligibility. When you are screening them initially you should extend until they are of age. When they are eligible age-wise we will make the decision then if the criteria is still in place. It is important to make sure this residency is within the correct period. Generally we use the working age of 18 unless the country has a specific criteria. E.g. UK is 16 years old, Aus is 20 years.

Each country we test for has a Direct Deduction document that will tell you:

- If there is a deductible pension;
- What the pensionable age for that country is;
- The residency/contribution requirements.
- Any age restrictions of that residency (e.g. 1 year between 20 and 65 years)

Many pensions require contributions rather than just residency. Check that the required contributions could have possibly been made during the time the client was in the country being screened.

### Important Details to Note When Screening

The residency requirements may be met because of the time the client has lived in New Zealand and the overseas country we have an agreement with.

These are:

Australia

The United Kingdom

Canada

The Netherlands

Denmark

Ireland

Jersey & Guernsey

Malta

Greece

Republic of Korea

Check the Direct Deduction list for these and be aware that there are different rules for each overseas pension, e.g a client may need a combined amount of time in both the overseas country and New Zealand.

We understand that some clients may not be entitled to an overseas pension or be granted one, however our task is to ask them to take reasonable steps to apply for any pension(s) they *may be entitled to* and provide us with verification from the applicable overseas agency.

## **When to use discretion and known exceptions**

### **Discretion**

In certain cases discretion will need to be applied when screening clients and you should check with your manager before doing so. Discretion should be used when the client has extenuating circumstances, such as severe health problems/disabilities, meaning that asking the client to apply for an overseas pension would be unreasonable. This is usually limited to if they are unable to complete the application

### **Exceptions**

You do not need to seek approval not to test if:

- a client is over 80 - unless the client was only recently granted NZS;
- if CMS or NZS application shows that they were overseas with a branch of the NZDF (E.g. NZ Army or any Overseas armies mentioned – discuss with Service Manager) or with the NZ government (E.g. Diplomat, Ambassador, MFAT)
- If CMS or NZS application notes “Missionary work”
- Refugee (as shown in SWIFTT, as a scanned document, CMS or historical UCV notes)

Other reasons such as, illness, incarceration, etc. should be discussed with your Service Manager.

### **What happens once you have screened a client?**

If the client meets the criteria to be tested for an overseas pension. You will need to send the client an application or letter for the relevant country/agency. Please see the Initial Screening Process.

If the client does NOT meet the criteria to be tested for an overseas pension you will need to exclude or extend/defer the client from being tested. Please see the Exclusions, Defer Testing and Retesting.

\*see appendix

## Appendix

A copy of the specific page of the Direct Deduction list for the United States is below.



### USA

**Non-reciprocal country**

**Agreement made: n/a**

**Page last updated:  
12/12/2019**

## Overseas Agency Contact

### Social Security Division

Federal Benefits Unit

United States Embassy

1201 Roxas Boulevard  
Ermita, Manila, 0930

PHILIPPINES

[FBU.Manila@ssa.gov](mailto:FBU.Manila@ssa.gov)

---

## Testing Criteria

### GENERAL INFORMATION SPECIFIC TO ALL US SOCIAL SECURITY PENSIONS

#### Citizenship

Citizens of the United States of America (USA) and citizens of countries the USA has a social security agreement with can get US pensions if they are in New Zealand. Otherwise, payments will stop for those who don't meet this criterion after they have been outside of USA for six consecutive months. To maintain ongoing entitlement return to the USA for a full calendar month after six months of absence is required where the citizenship criterion above is not met.

Typically a person must be a citizen of one the following countries to maintain ongoing entitlement to social security payments outside the USA:

*Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Israel, Italy, Japan, Korea (South), Luxembourg, Netherlands, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, United Kingdom, USA*

**Note:** they do not have to be residing in the country of citizenship, i.e. they can be residing in New Zealand but be a citizen of one of the above countries.

There are some general exceptions to this. If the client meets one or more of these criteria, their payment may continue if they do not meet the citizenship requirements and are outside the US for more than six months:

- they were eligible for monthly Social Security benefits before December 1956; or
- they are in the active military or naval service of the US; or
- the worker on whose record their benefits are based had railroad work which was treated as covered employment by the Social Security program; or
- the worker on whose record their benefits are based died while in the U.S. military service or as a result of a service-connected disability and was not dishonourably discharged; or
- they are residing in a country with which the U.S. has a Social Security agreement.

A list of countries with which the U.S has a Social Security agreement and agreement details can be found [here](#).



## Taxation

The USA Inland Revenue Service require that up to 30% tax on up to 85% of the social security pension is withheld depending on the client's situation. There should be no situation where the full social security pension is subject to tax in the US.

The double taxation agreement between the USA and New Zealand allows for tax paid in the USA on USA social security to be taken into account in taxation assessments in New Zealand. Clients will need to talk to the New Zealand Inland Revenue Department if they have any queries about this.

The amount of taxation is not relevant to the amount that will be directly deducted as the Ministry is required to deduct the gross amount of USA social security before taxation or any other deductions.

## RETIREMENT BENEFIT

The client must meet the following criteria to qualify for the Retirement Benefit in New Zealand:

- Be aged according to the table below:

Year of Birth	Full Retirement Age
1943-1954	66 years
1955	66 years and 2 months
1956	66 years and 4 months
1957	66 years and 6 months
1958	66 years and 8 months
1959	66 years and 10 months
From 1960	67 years

and;

- Have a minimum of 40 quarters of coverage (10 years)

**Note:** A reduced **Early Pension** is payable at 62 years of age for those who meet the coverage requirements and income test as outlined [here](#)..



**Note:** People on the first day of any month qualify in the month prior to reaching retirement age. Those born on January 1 of any year should refer to the previous year for eligibility.

---

## DISABILITY BENEFIT

The client must meet the following criteria to qualify for the Disability Pension in New Zealand:

- be assessed as incapable of substantial, gainful activity as the result of a physical or mental impairment that is expected to last at least a year or result in death; and
  - if the disability occurred before age 21, have at least 6 quarters of coverage (18 months) in the three years before the disability began; or
  - if the disability occurred between age 24 and 30, have at least 2 quarters of coverage (6 months) for each year from age 21 to the quarter the disability began; or
  - if the disability occurred age 31 or older, have at least 20 quarters of coverage (60 months) in the 10 years before the disability began, and
  - have at least 38 quarters of coverage (114 months) if the disability began at age 60
- 

## SURVIVORS BENEFIT

Survivor's benefits are paid to certain members of the family of a deceased person who was receiving or entitled to receive an Old Age or Disability pension at the time of death. If the person was younger than 42 at the time of death, the insured person must have had at least 6 quarters of coverage (18 months) with a minimum total quarters of coverage equal to the deceased's age minus 21.

Eligible survivors include:

- a widow or widower aged 60 or older and married to the insured for at least nine months before the death (or at least 10 years for a divorced widow or widower),
- widow or widower at any age who is caring for a child younger than 16 or disabled,
- widow or widower with a disability (aged 50 or older with the disability occurring before or within seven years of the death for a divorced widow or widower),
- unmarried child younger than age 18 (age 19 if studying, no limit if disabled before age 22),
- a dependent parent aged 62 or older and not remarried and at least 50% dependent on the insured person at the time of death.

**Note:** A Survivor's Pension is not payable in the event of remarriage.

**Note:** Survivors may continue working up to retirement age and receive a reduced benefit. From the normal retirement age, there is no penalty for working.

## DEATH BENEFIT

The Death Benefit is one-time payment of \$255. It requires that the deceased paid social security contributions. The Death Benefit can be paid to:

- the surviving spouse if he or she was living with the deceased; or
- if they were living apart, was receiving certain Social Security benefits on the deceased's record; or
- if there is no surviving spouse, the payment may be made to a child who is eligible for benefits on the deceased's record in the month of death.

**Note:** The Death Benefit is not a payment made to assist with specific costs incurred as a result of the passing of the deceased. This is a common misconception.

## Directly Deductible under NZ law

Yes	No
<ul style="list-style-type: none"> <li>• Child Benefit</li> <li>• Disability Pension</li> <li>• Retirement Benefit</li> <li>• Railroad Retirement Benefit (U.S. Railroad Retirement Board)</li> <li>• Spousal entitlement to Retirement Benefit</li> <li>• Survivors Benefit (Widows/Widowers)</li> <li>• Death Benefit</li> </ul>	<ul style="list-style-type: none"> <li>• California State Teachers' Pension</li> <li>• Central Pension Fund Retirement Benefit</li> <li>• CSRS / FERS (Federal civil service)</li> <li>• Department of Veterans Affairs Pension</li> <li>• Defense Finance and Accounting Service Pension (DFSA)</li> <li>• FSRDS (Foreign Service Retirement and Disability System)</li> <li>• Prudential Teachers pension (PRU)</li> <li>• Public School Retirement System of Missouri</li> <li>• State of Alaska – Retirement Benefits Plan</li> <li>• State of Florida Department of Financial Services – Health Insurance Subsidy</li> </ul>

	<ul style="list-style-type: none"><li>• State of Florida Department of Financial Services – Retirement Benefit</li><li>• State of Hawaii – Employees’ Retirement System</li><li>• Teachers Insurance and Annuity Association of America (TIAA)</li><li>• US Coast Guard - Survivor Benefit Plan annuity</li><li>• US OPM Pension (Office of Personal Management)</li><li>• US Military Retirement Pay (USMRP)</li><li>• Wisconsin Retirement System – Retirement Benefit</li></ul>
--	--

---

## External Links

[Social Security Throughout the World - United States](#)

[Social Security Administration](#)