SIMPSON GRIERSON

New Zealand 2026 Gateway Report

International HNW Advisers

July 2026

Above image: Wellington, New Zealand
Cover image: Lookout from Mount Taranaki, New Zealand

Introduction

While New Zealand has long been admired for its natural beauty, social and political stability, and quality of life, it has more recently become an increasingly compelling destination for high-net-worth (**HNW**) individuals and their families.

The settings for prospective HNW migrants have never been more attractive. With a reformed investor residence programme, a newly introduced 'non-resident visitor' tax status, and proposed legislative changes aimed at further improving the post-arrival tax environment, the New Zealand Government is actively seeking to attract and retain globally mobile HNWs.

At the same time, New Zealand remains a useful holding jurisdiction in certain planning scenarios.

This report provides an overview of the key developments relevant for HNW advisers whose clients are considering relocating to a jurisdiction with clear immigration pathways and a relatively benign tax environment, already interested in moving to New Zealand or using New Zealand vehicles to hold offshore assets. It covers:

- the Active Investor Plus Visa;
- the newly introduced 'non-resident visitor' tax status;
- the Government's proposed changes to the Foreign Investment Fund and Financial Arrangement tax rules as relevant to HNW migrants;
- pre-migration trusts as a planning tool for HNW migrants; and
- the use of New Zealand as a tax-neutral asset holding jurisdiction for offshore HNWs.

Active Investor Plus Visa

New Zealand's Active Investor Plus (**AIP**) Visa was designed to attract high-value global investors with a clear pathway to residence through investment.

April 2025 reforms made the visa significantly more accessible, reducing the minimum investment thresholds, broadening the range of acceptable investments, removing the English language requirement, and decreasing the minimum time required to be spent in New Zealand.

More recently, the Government took another welcome step. From 1 June 2026, Growth category investors can direct up to 20% of their total investment towards philanthropy, with the remainder continuing to flow into higher-growth assets. For investors who want their capital to support the causes they care about, this is an exciting development.

AIP pathways

The AIP Visa provides two clear pathways to residence for HNW investors, giving investors the flexibility to choose an approach that suits their investment appetite.

Growth category

The **Growth category** focuses on higher-risk investments, including venture capital, private credit and equity funds, direct investments in New Zealand businesses, and philanthropy (up to 20% of the total amount invested). A minimum investment of NZ$5 million must be maintained for a period of three years, during which the investor must spend 21 or more days in New Zealand.

Balanced category

The **Balanced category** includes a broad mix of approved asset classes, including managed funds, listed equities, philanthropy, bonds, and property developments. A minimum investment of NZ$10 million must be maintained for a period of five years, during which the investor must spend 105 or more days in New Zealand (which can be reduced with additional investment).

The applicant must be a fit and proper person in good health. There is no requirement to speak or understand English.

Partners and dependent children (up to the age of 24) can be included in the application, with no requirement to stay in New Zealand during the investment period or once permanent residency is granted.

The results speak for themselves

The reformed AIP Visa has proven to be a remarkable success. Since the April 2025 changes:

NZ$4.29 billion

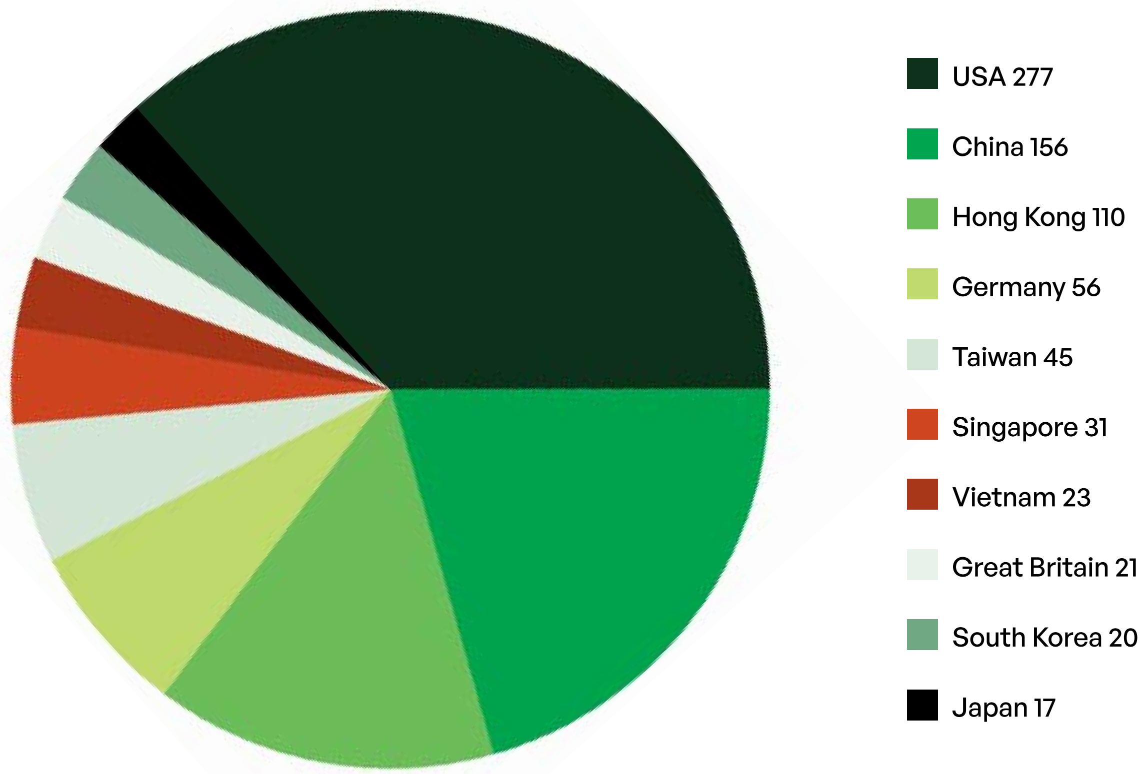
has been added to the investment pipeline or committed to investment in New Zealand.

734 applications

have been received and 294 approved, with 260 approved in principle and 109 in progress.

The Growth category has been the most popular, accounting for 83.8% of the applications received.

Applications by nationality since 1 April 2025



Source: Immigration New Zealand, 2025 changes to the Active Investor Plus Visa and statistics post-change (statistics to 11 June 2026).

Dip your toes in New Zealand as a 'non-resident visitor'

New Zealand has had a "transitional resident" income tax regime for around 20 years. Under this regime, new tax residents, including returning New Zealanders who have been non-resident for at least 10 years, are generally exempt from New Zealand tax on foreign sourced income for 48-54 months.

New Zealand has recently gone further and introduced a "non-resident visitor" tax status, under which qualifying individuals can spend up to 275 days in New Zealand in an 18-month period while remaining non-resident for tax purposes.

Non-resident status only applies to visitors who:

- arrived in New Zealand on or after 1 April 2026;
- were not a New Zealand tax resident (or transitional resident) immediately before arriving;
- work (if working at all) exclusively for offshore employers or clients;
- hold a valid New Zealand visa or other immigration status and do not receive family assistance entitlements; and
- remain, during the non-resident visitor period, tax resident in another jurisdiction with a tax system broadly comparable to New Zealand's.

A non-resident visitor is not subject to New Zealand tax on any foreign-sourced income.

In addition, employment or contractor income that a non-resident visitor derives from offshore employers or clients is fully exempt from New Zealand tax. This contrasts with the position of transitional residents, who are taxed on all employment or contractor income.

Non-resident visitor status accordingly provides a valuable opportunity for prospective permanent migrants, who are either not working or only working remotely, to spend a relatively substantial period "testing the waters" in New Zealand while effectively insulated from New Zealand tax.

Non-resident visitor status ceases when the 275-day threshold is exceeded, or earlier if the individual establishes a permanent place of abode (PPOA) in New Zealand (for example, by buying a house and "putting down roots") or ceases to meet one of the other qualification criteria noted above.

When a person ceases to be a non-resident visitor, but remains lawfully in New Zealand, they are subject to standard tax residence rules prospectively from the date of cessation. This includes the transitional residence regime. Non-resident visitor status and transitional residence can operate in combination, potentially delivering up to five and half years of New Zealand tax relief on most foreign-sourced income (as well as remote employment or contracting income derived from offshore employers or clients while the person is a non-resident visitor). This presents a valuable opportunity to settle affairs, structure holdings, and transition to life in New Zealand while substantially insulated from local tax.

Wānaka, New Zealand

Improvements to post-transitional residence tax treatment

Auckland, New Zealand

New Zealand has a tax system that is straightforward and favourable by international standards. It has no stamp, gift or estate duties, no inheritance tax, and no wealth tax. There is also no general capital gains tax. However, the broad-based income tax system has some sharp edges that can be problematic following cessation of transitional residence. Recent and proposed reforms aim to smoothen these sharp edges.

A

Foreign Investment Fund Revenue Account Method

Once a migrant becomes a full New Zealand tax resident, the Foreign Investment Fund (FIF) rules will apply to their offshore portfolio equity investments. To date, the predominant method for taxing FIFs has been the so-called fair dividend rate (**FDR**) method, which produces a “deemed” (i.e. non-cash) 5% dividend yield. Particularly in the case of illiquid, unlisted shares, FDR can accordingly produce very unattractive ‘dry’ tax liabilities.

A new FIF calculation method, the revenue account method (**RAM**), can be applied to unlisted foreign shares from 1 April 2025. Under RAM, investors are taxed on 70% of any gain realised when they sell qualifying shares, with no interim tax on any deemed yield. Dividends are also taxable, but only on an actual receipts basis.

At present, RAM is available to those who moved to New Zealand on or after 1 April 2024, were not previously tax resident here, and had lived overseas for at least five consecutive years before arriving. US citizens and green card holders can access a broader version of the RAM (extended RAM), covering all their overseas shares, not just unlisted ones.

The Government announced as part of Budget 2026 that it intends to make the RAM available to all New Zealand residents, not just recent arrivals.

B

Financial arrangement taxation to be made simpler

New Zealand tax residents may be taxed on their financial arrangements (loans, bonds, foreign bank accounts, and similar non-equity instruments) on an accrual basis, meaning tax can arise before cash has been received. When those arrangements are in a foreign currency, exchange rate gains and losses against the NZD are captured in the annual accrual calculations, creating real uncertainty over what an end of year tax bill will look like. This is an issue that tends to affect post-transitional residence migrants more than most, given they typically hold more foreign currency than long-standing New Zealand residents.

For some, there is already a degree of relief. Those whose income and expenditure from financial arrangements determined on an accrual basis would be under NZ$200,000, or whose total financial assets and liabilities are below NZ$2 million in gross value, qualify as “cash basis persons”. This means they can simply report income as they receive it, without complex accrual calculations. Cash basis persons with foreign denominated financial arrangements are only taxed on exchange rate gains/losses on a realisation basis.

Proposals in Budget 2026 go further, with a package of practical improvements designed to make life considerably simpler post-transitional residence:

- some taxpayers will be able to calculate their financial arrangement income in an offshore currency rather than in New Zealand dollars, reducing exposure to exchange rate movements;
- special protections will apply for those facing cross-border double taxation;
- a dedicated calculation method will be introduced for financial arrangements used to fund AIP Visa investments, preventing surprise tax bills from the moment an investor arrives in New Zealand; and
- everyday, low-risk foreign currency arrangements (i.e. personal bank accounts, home mortgages with foreign banks, and foreign credit cards) will be removed from the rules altogether, to minimise compliance.

If passed, these changes will apply from 1 April 2027, with the AIP Visa-specific measure backdated to 1 April 2025.

Pre-migration trusts remain a useful planning tool for HNW migrants from certain jurisdictions

New Zealand has a settlor-based trust taxation regime, under which the tax treatment of a trust is primarily determined by the tax residence of the settlor rather than the tax residence of the trustees. Trustees of “foreign trusts”, being trusts where no settlor has ever been tax resident in New Zealand, are only subject to income tax on any New Zealand sourced income, whether the trustees are tax resident in New Zealand or elsewhere.

When the settlor of an existing foreign trust moves to New Zealand, the same foreign trust tax treatment continues to apply throughout the settlor’s transitional residence period. Following the end of the transitional residence period, the foreign trust has 12 months to make an election to be a “complying trust” for New Zealand tax purposes, at which point the trustees would become subject to income tax on the trust’s worldwide income.

Roys Peak, Wānaka, New Zealand

If an election is not made before the election expiry date, the trust would instead become a “non-complying trust” for New Zealand tax purposes. Non-complying trust status means that most subsequent distributions to New Zealand resident beneficiaries would be subject to New Zealand income tax at a punitive rate of 45%, but foreign income of non-resident trustees and distributions to non-resident beneficiaries remain outside the New Zealand tax net.

In response to these settings, a common tax planning method for HNWs migrating to New Zealand from certain jurisdictions is to create a “pre-migration trust”. This involves settling assets on a trust with a non-New Zealand resident trustee prior to arrival in New Zealand, while taking care to ensure that no further settlements are made on the trust once the settlor has moved to New Zealand, including while they are a transitional resident (because if such settlements are made, following transitional residence the settlor becomes liable to New Zealand income tax on the trustees’ worldwide income). Typically, a professional trustee company in a tax haven jurisdiction would be engaged to provide trustee services and otherwise manage the pre-migration trust.

Any beneficiary income or other distributions received from the pre-migration trust that have a source outside New Zealand are not subject to New Zealand income tax during the settlor’s transitional residence period.

Under the planning method, at the end of the settlor’s transitional residence period, there is no election to convert the trust into a complying trust, and it is instead left as a non-complying trust. It is then the case that neither the non-resident trustee nor the settlor is subject to income tax on trust income from sources outside New Zealand. This option provides HNWs who are unlikely to need to access funds from the trust while New Zealand resident, with the ability to keep some of their wealth outside the New Zealand tax base indefinitely.

New Zealand remains an attractive jurisdiction for tax neutral asset holding by offshore HNW individuals and families

New Zealand continues to be an attractive, tax-neutral asset protection jurisdiction for offshore HNW individuals and families based in certain jurisdictions. Two asset holding structures stand out:

1

New Zealand foreign trust

Given that New Zealand does not tax a New Zealand resident trustee on foreign-sourced income of foreign trusts (i.e. trusts with no New Zealand resident settlor), such trusts can be used by offshore HNWs in certain jurisdictions to house non-New Zealand income producing assets.

New Zealand foreign trusts were at one stage a very widely used vehicle in international HNW wealth planning structures. Since 2017, however, local trustees have been exposed to enhanced reporting requirements under domestic rules and the Common Reporting Standard, which has reduced the structure’s popularity. That said, the fundamental New Zealand tax-neutrality of the structure remains firmly in place.

2

New Zealand limited parternships

New Zealand limited partnerships have also become a commonly used structure for offshore HNW individuals and families in certain jurisdictions seeking a tax-neutral, legally robust, and internationally recognised holding vehicle.

Because a New Zealand limited partnership is transparent for income tax purposes, all income flows through directly to the limited partners and there is no incidence of tax on the partnership itself. This means that where none of the partnership’s income has a New Zealand source, non-resident limited partners have no New Zealand tax exposure, whether on income earned within the partnership or on distributions received from it.

Administration is straightforward and privacy is maintained. Only limited information is recorded on a public register, and details of the limited partners and the partnership’s assets are not available to the public. Reporting requirements are also typically very limited.

Taranaki, New Zealand

A gateway, not a one-size-fits-all answer

New Zealand's current settings offer an attractive proposition for internationally mobile HNW individuals and their families. The interaction between immigration status, tax residence, trust settings, and existing offshore structures will determine whether New Zealand is the right fit, and how best to plan for it.

We regularly advise international advisers and their HNW clients on New Zealand tax, and structuring matters. If you would like to discuss how the developments in this report apply to a particular client scenario, please get in touch with one of our specialists.

Tax contacts

Barney Cumberland, Partner
D +64 9 977 5155 | M +64 21 497 462
barney.cumberland@simpsongrierson.com

Andrew Priestley, Senior Associate
D +64 9 977 5411 | M +64 21 254 2536
andrew.priestley@simpsongrierson.com

Nick Bland, Senior Associate
D +64 9 977 5313 | M +64 21 241 4504
nick.bland@simpsongrierson.com

Auckland
Visit L27, 88 Shortland Street
Auckland 1010
Call +64 9 358 2222

Wellington
Visit L5, 40 Bowen Street
Wellington 6011
Call +64 4 499 4599

Christchurch
Visit L1, 151 Cambridge Terrace
Christchurch 8013
Call +64 3 365 9914