

Looking after your personal finances during uncertain times

During the COVID-19 pandemic, worrying about your personal finances may be keeping you up at night—and that's perfectly understandable. Below are some practical tips, so you can feel more in control of your money during these uncertain times.

First and foremost, don't leave it too late to seek help and support. There are many people in the same position, and the government, banks, tax department etc want New Zealanders to get through this unprecedented situation financially intact.

This information is gathered from a variety of sources. Please remember, it is a summary of some options and no substitute for professional financial advice. Only you know what is best for you.



COVID-19: 10 personal finance tips

- 1 Review your expected incomings and outgoings.** It's really important to know the reality of your financial situation. Make a list of all your expected outgoings, including food, household costs and essential bills over the next six months. Also make a list of your expenses and categorise them: Essential, Important, Necessary and Nice to Have. Then get rid of the Nice to Haves!
- 2 Plan ahead for your food shop.** Food shopping is one outgoing we all have. Plan your meals for the week and create a list of what you need to buy to avoid unnecessary expenditure on supermarket trips.
- 3 Revisit regular expenses.** Now is a good time to shop around for better deals on your mobile and power etc.
- 4 Review your direct debits and recurring payments.** Are there any services you haven't used for a while that you can cancel?

- 5 **Check any event and travel bookings.** You may be owed money for postponed events that you were planning to attend in the coming months. Or you may have planned travel that you can postpone.
- 6 **Create a budget.** Now is a great time to develop a personal budget. If you already have one, give it a refresh to take the new circumstances into account and how they will affect your income and spending. Look at the last few weeks as an example of your outgoings. It's easy to think the lockdown means you're not spending any money and can save up loads of cash—but this may not be the reality. There are plenty of online resources, such as budget calculators, to help you create a budget. The government's Sorted website is a great source of independent, neutral money management tips, guides and tools:
<https://sorted.org.nz/>
- 7 **Take advantage of government support.** The government has announced a banking and mortgage support package. Speak directly with your bank/home loan provider for more information on this. Relief is also available for renters. Find all government COVID-19 financial support information at covid19.govt.nz
- 8 **In-work Tax Credits (IWTC).** If you have had your working hours reduced or have had to stop working due to COVID-19, but you're still being paid, or you receive the wage subsidy, you will still get IWTC. You don't need to contact Inland Revenue or update your details in myIR. For all COVID-19 tax-related information, visit <https://www.ird.govt.nz/covid-19/individuals-and-families/kiwisaver>
- 9 **Talk to your bank.** If you're worried about debt, speak to your bank. Banks understand that people will require support at this time, so don't feel shy about discussing potential solutions to fit your personal circumstances. Some banks have already started putting measures in place to support those who might be experiencing difficulties, such as payment holidays on mortgages and loans, and early closures of fixed savings accounts to access cash with no early closure charge. Most banks are set up to receive mortgage repayment deferral applications online and customers are being urged not to swamp bank call centres (read more [HERE](#)).
Click on the links below for individual COVID-19 bank information:
 - [ASB](#)
 - [ANZ](#)
 - [BNZ](#)
 - [Westpac](#)
 - [Kiwibank](#)
- 10 **Arrange a KiwiSaver holiday.** You can arrange to reduce your KiwiSaver to no lower than a minimum 3% contribution. You can also request a KiwiSaver holiday and suspend your contributions for a period of time. More info on KiwiSaver contributions holidays/savings suspension can be found at <https://www.ird.govt.nz/kiwisaver>

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