When 50/50 Isn’t Fair

Posted on: August 26, 2026

Exceptions to Equal Sharing

New Zealand’s relationship property law is underpinned by four key principles. Two of those principles focus on equality: that partners are treated equally regardless of gender, and that all contributions to a relationship are valued equally, whether financial, domestic, or otherwise.

With those principles in mind, it is easy to see why the law starts from a position of equal sharing when a qualifying relationship ends. But what many people don’t know, is that a 50/50 division it is not always the outcome.

The equal sharing rules generally apply to relationships lasting three years or more. If a relationship lasts less than three years, or if the Court decides it should be treated as a short-duration relationship for other reasons, the Court may divide property based on what each partner contributed, rather than applying the usual equal-sharing rules.

The main exception to equal sharing happens when there are extraordinary circumstances that make a 50/50 division plainly unfair. The threshold for proving “extraordinary circumstances” is high, and the exception applies only in rare cases. An example might be where, shortly before separation, one partner uses their large inheritance to pay off the couple’s home loan. As a result of this use, the inheritance becomes relationship property. The exception allows the Court to step back and think about whether equal sharing would lead to an unjust result. If an equal division is seriously unfair, the division instead occurs based on the contributions made by either partner.

Even if an equal division is appropriate, there may be other adjustments raised by either partner to compensate them beyond 50/50 in certain circumstances. While not exceptions to equal sharing, the effect of them is that the overall division is not equal. Some of the most common examples are:

- Where it is fair to compensate one partner if there is a difference in their financial futures after separation. This often happens where one partner has focused mainly on childcare and/or family responsibilities, allowing the other to focus on advancing their career and earning ability. Where that division of ‘roles’ leaves one partner at a significant financial disadvantage after separation, it might be fair for the disadvantaged partner to receive a lump sum payment on top of the property division as compensation.
- If one partner’s efforts have increased or maintained the value of the other’s separate (non-relationship) property, it may be fair to compensate them for their efforts towards the property which they do not have a share in.
- When time has passed since separation, but one or both partners continue making contributions (whether positive or negative), these may be accounted for. If the

contributions have increased the value of the property that partner may be compensated. However, if someone has intentionally decreased the value an asset, it might be fair that they compensate their former partner for their actions.

Every relationship is different, and so is every relationship property dispute. Although equal sharing remains the default, the law has flexibility to recognise where an equal division would not be fair or just.

If you are separating and are unsure what your property entitlements may be, obtaining legal advice early can help you understand your options and avoid expensive disputes later.