

what do you remember about the night of the big wind?



The first pension available in Ireland was paid in 1909. To be eligible, you had to be over the age of 70. As the statutory registration of births had only started in 45 years earlier (1864) it was very difficult to establish who was eligible and who was not. Reportedly, for a short period, in order to prove you were over the age of 70, applicants were asked to answer the question 'What do you remember about the Night of the Big Wind? (The "Night of the Big Wind" was a powerful windstorm that swept across Ireland and the UK in 1839).

Thankfully, these days it's much easier to prove you have reached the age of qualification. However, how much you will receive and which type of State Pension you should claim can still get a bit complicated. This newsletter aims to make things a bit clearer.

What is the State Pension?

The State Pension is a payment from the Irish Government to people over the age of 66. It is intended to provide citizens with a basic standard of living in retirement and is funded by the PRSI contributions of current employees and their employers.

When can I claim a State Pension?

The current qualifying age for the State Pension is 66. This may be subject to change in the future.

What are the types of State Pension?

There are two types of State Pension available:

- The **State Pension (Contributory)**. This is paid to people who have made enough PRSI contributions during their working lifetime.
- The **State Pension (Non-Contributory)**. This is payable to people who do not qualify for the Contributory version of the pension.

You can claim one or other of the two types of State Pension, but not both.

Please note:

This newsletter discusses general information about State Pension entitlement, and best practices when planning for retirement. State Pension entitlement can be complex and we cannot take all individual circumstances into account. This newsletter should be taken as general guidance only, and does not constitute personal advice.

You're receiving this newsletter because some, or all, of your pension savings are held in a Mercer Aspire pension plan. Your pension plan may be administered by Mercer, Zurich or New Ireland.

If you are not sure who administers your plan, you may wish to check your Annual Benefit Statement before taking action.

This newsletter is aimed at people who are within 15 years of retirement.

Follow the link below to access more newsletters and recorded webinars to help you get the most out of your pension as you approach retirement.



<https://linktr.ee/AspireRetireInStyle>

How do I qualify for a State Pension?

State Pension (Contributory)

Eligibility for the Contributory State Pension depends on your PRSI contributions.

To qualify for the lowest level of contributory state pension (€101.20 Per week) you need to have:

- **Made an average of at least 10 PRSI contributions a year, starting from the year you first worked**
- **Commenced paying PRSI before age 56**
- **Made more than 520 PRSI contributions by the time you retire.**

A PRSI contribution will generally have been made in respect of any week you earned money, so a full time employee normally makes 52 contributions per year.

If you don't qualify for the maximum rate of pension because of gaps in your PRSI record, you may be assessed under the Total Contributions Approach and can use the new Home Caring Periods Scheme to help you qualify for a higher rate of pension. You can find more information on www.citizensinformation.ie.

State Pension (Non-Contributory)

You do not need to have made PRSI contributions to qualify for the Non-Contributory State Pension.

The Non-Contributory State Pension is means tested, so the Department of Social Protection will examine all your sources of income. The main items tested are any cash income you or your spouse/civil partner have, or any capital, investments, savings or property you might own, excluding your own home.

If you pass the means test you will be fully entitled to the full Non-Contributory State Pension.

The Non-Contributory State Pension is intended to help people who have very limited means of supporting themselves. You will probably not be able to claim the Non-Contributory State Pension if you hold any significant assets or are receiving a significant income.

It is possible to be eligible for a partial Non-Contributory State Pension if you are judged to have significant means, but not enough to support you on their own.

I have a company or private pension, does this disqualify me from claiming the State Pension?

State Pension (Contributory)

Payment of the Contributory State Pension is **not** affected by any other income such as a company or private pension. Your entitlement to the Contributory State Pension is only based on your PRSI contributions.

State Pension (Non-Contributory)

The Non-Contributory State Pension is means tested and any assets, including that of a company or private pension may remove or reduce your entitlement to the Non-Contributory State Pension.



How much money will I receive from the State Pension?

What are the rates of the State Pension Contributory?

The table below shows what level of State Pension is currently (2022) payable in respect of different levels of PRSI contribution:

Yearly average PRSI contributions	Personal rate per week	Increase for a Qualified Adult Dependant (under 66)	Increase for a Qualified Adult Dependant (over 66)
48 or over	€253.30	€168.70	€227.00
40-47	€248.30	€160.60	€215.70
30-39	€227.70	€152.80	€204.50
20-29	€215.70	€142.90	€192.50
15-19	€165.10	€110.00	€147.40
10-14	€101.20	€67.00	€91.30

What are the rates of the Non-Contributory State Pension?

The full rates of the Non-Contributory State Pension in 2022 are set out below – if you partially fail the means test, you may potentially receive a lower amount.

Age	Personal rate per week	Increase for a Qualified Adult Dependant (under 66)	Increase for a Qualified Child Dependant (under age 12)	Increase for a Qualified Child Dependant (age 12 or over)
66 to 80	€242	€159.90	€40 (full rate)	€48 (full rate)
80+	€252	€159.90	€20 (full rate)	€24 (half rate)

What is a Qualified Adult Dependant?

A Qualified Adult Dependant is an adult who is financially dependent on you – this could, for example, be a spouse who has little or no means of their own. It is important to note that, if your spouse has a PRSI record of their own, they may be able to claim a Contributory State Pension in their own right rather than claiming the Qualified Adult Dependant's Allowance.

The payment increase for a Qualified Adult Dependant will be reduced by any income that the relevant adult dependant has (savings and capital will also be taken into account: this calculation is more complex). Your own income and assets are not relevant to this calculation, while any jointly held assets are considered to be owned 50% by each of you. Other conditions may apply.

Where can I find out more about the State Pension entitlement?

MyWelfare (www.mywelfare.ie) is the online home of all Irish welfare services and the place where you can request a copy of your complete PRSI record.

To take advantage of the services available on MyWelfare (such as requesting PRSI contribution statements, or benefit payments) you must have registered on www.mygovid.ie.

The Citizens Information website has a wealth of information on the State Pension: www.citizensinformation.ie

Want to find out more?

If you have questions about how your pension plan works, Mercer's JustASK member helpline is your first port of call.

The JustASK phonenumber is available weekdays, 09.00 – 17.00, excluding public holidays.



Submit a query online:
bit.ly/JustAskMercer
(case sensitive)



Call:
+353 (0)1 4118505

For more information on the JustASK helpline, follow this link:



<https://linktr.ee/JustASKMercer>

What if I worked abroad?

If you worked abroad for a period, and made social security contributions in another country, you may be able to count these towards your Irish Contributory State Pension entitlement. Social security contributions in another EU or EEA country should count. There are also agreements in place with Australia, Canada, Japan, South Korea, New Zealand and the USA.

In some cases, it can also be possible to claim Contributory State Pensions from Ireland and a State Pension from another country.

When should I apply for a State Pension?

It's generally advised that you apply for your State Pension (either Contributory or Non-Contributory) three months before you reach the age of eligibility. If you have paid Social Insurance contributions in more than one country, you should apply six months in advance of reaching the age of eligibility.

How do I apply for a State Pension?

You can download and print an application form here bit.ly/StatePensionApplicationForms or you can get an application from your local post office, your Intreo Centre, or Social Welfare Branch Office. You cannot apply online.

Post your completed application form to:

State Pension (Contributory) Section,
Social Welfare Services,
Department of Social Protection,
College Road,
Sligo,
F91 T384,
Ireland.

Log on to your website or contact your administrator

Whether your plan is administered by Mercer, New Ireland or Zurich you can find the appropriate contact and website details by visiting the following link and choosing your plan administrator.

https://linktr.ee/Aspire_YourAdministrator



The content in this newsletter is correct as at the date of issue, 2022.

A business of Marsh McLennan

© 2022 Mercer LLC. All rights reserved.