

welcome to brighter

get more from your
money

An Aspire Workplace Pension Webinar

A business of Marsh McLennan



Get more from your money

Welcome: this presentation is for everyone

Some, or all, of your pension savings are in an Aspire Workplace Pension

Your workplace pension may be administered by:

- Mercer
- Zurich
- New Ireland

Your savings may be in:

- A Defined Contribution pension
- An AVC pension (attached to a DB pension)
- A former employer's workplace pension



If your main pension is a Defined Benefit (DB) pension

You can make Additional Voluntary Contributions (AVCs) to boost your income in retirement

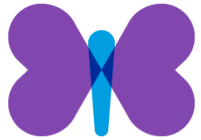
If you left a former employer, but still have benefits in their workplace pension

You can only pay into the workplace pensions of **current employers**

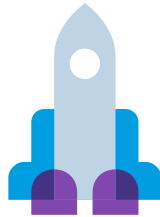
- You can't pay into the workplace pensions of former employers

You may be able to save into:

- A new employer's workplace pension
- A Personal Retirement Savings Account (PRSA)



Upgrade your retirement by contributing more to the plan



Your savings go further in the Plan



Aim for gold in retirement with a Once-off AVC



This presentation does NOT offer personal financial advice

Some of the specifics mentioned here may vary from your pension

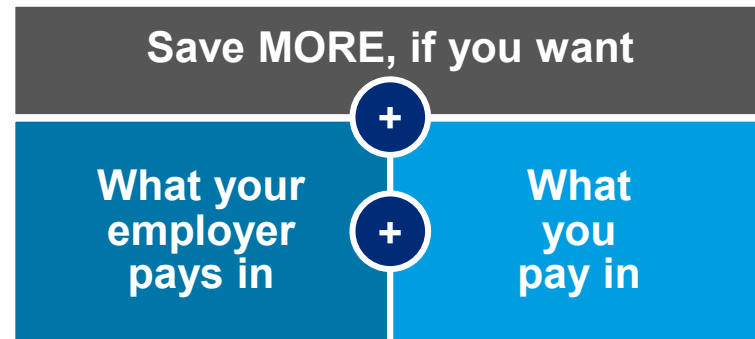
How a Defined Contribution (DC) workplace pension works


Save

Any savings paid in by **you** or **your employer** go into your personal **Retirement Account**

The money **you** pay in is **free from income tax**

You can choose to make **more** tax-free savings



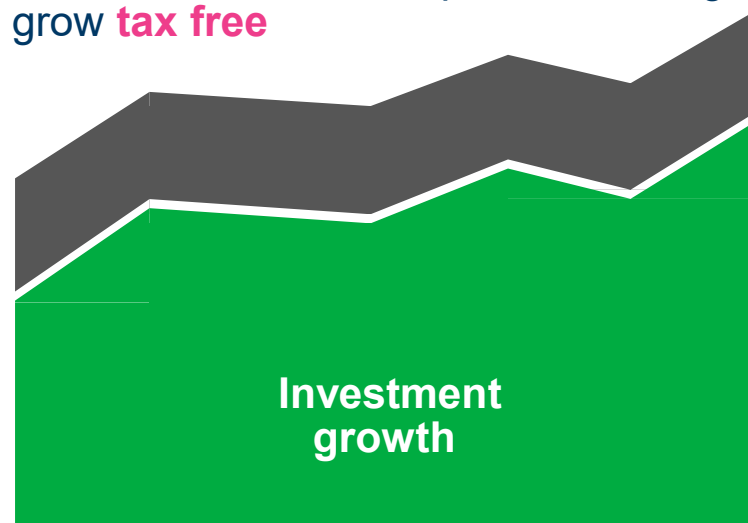
 Choose how much you want to save


Grow

Your **Retirement Account** is **invested** with the aim of growing in value

You can invest using the **default strategy**, or **make your own choices**

Unlike bank accounts, pension savings grow **tax free**




 Choose how you want to invest

Benefit

The more money in your **Retirement Account**, the more it will pay out

When you retire, the value of your **Retirement Account** is used to fund your **choice of benefits**



 Choose how to use your savings

How a Defined Benefit (DB) pension works

PROBLEM: To get your lump sum from your DB Pension, you have to give up retirement income

Your DB Pension benefits grow as your Salary and length of Service increase

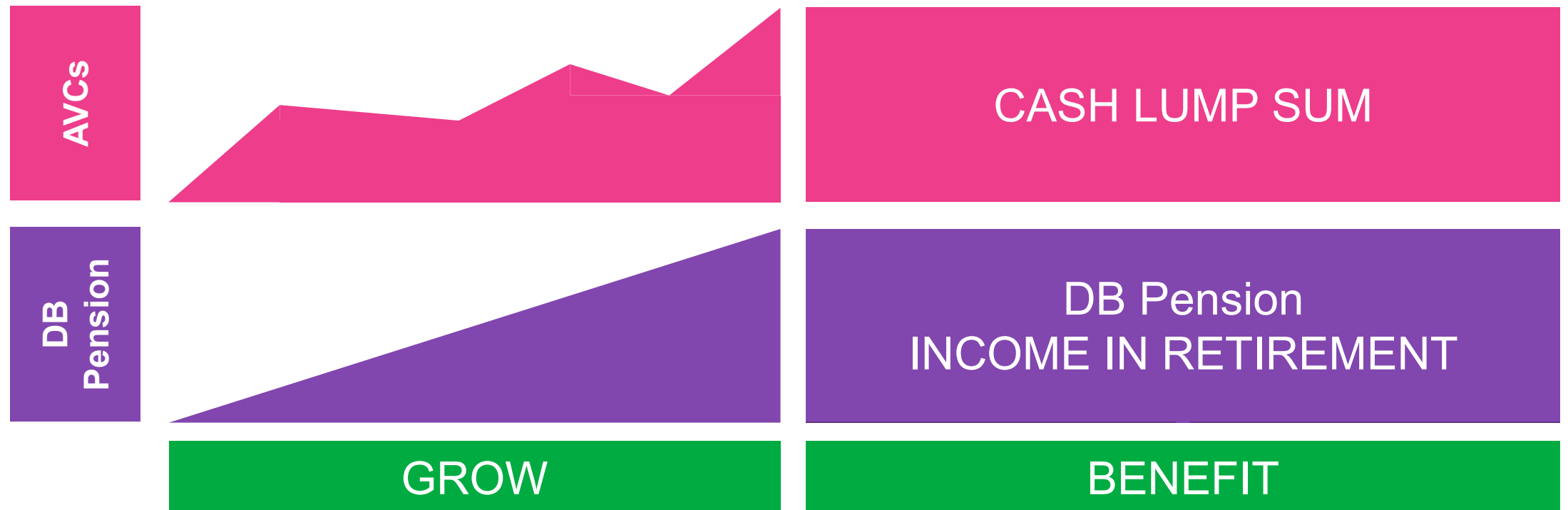
You can choose to take the full income in retirement, or to take a cash lump sum in exchange for part of your regular income



How a Defined Benefit (DB) pension works

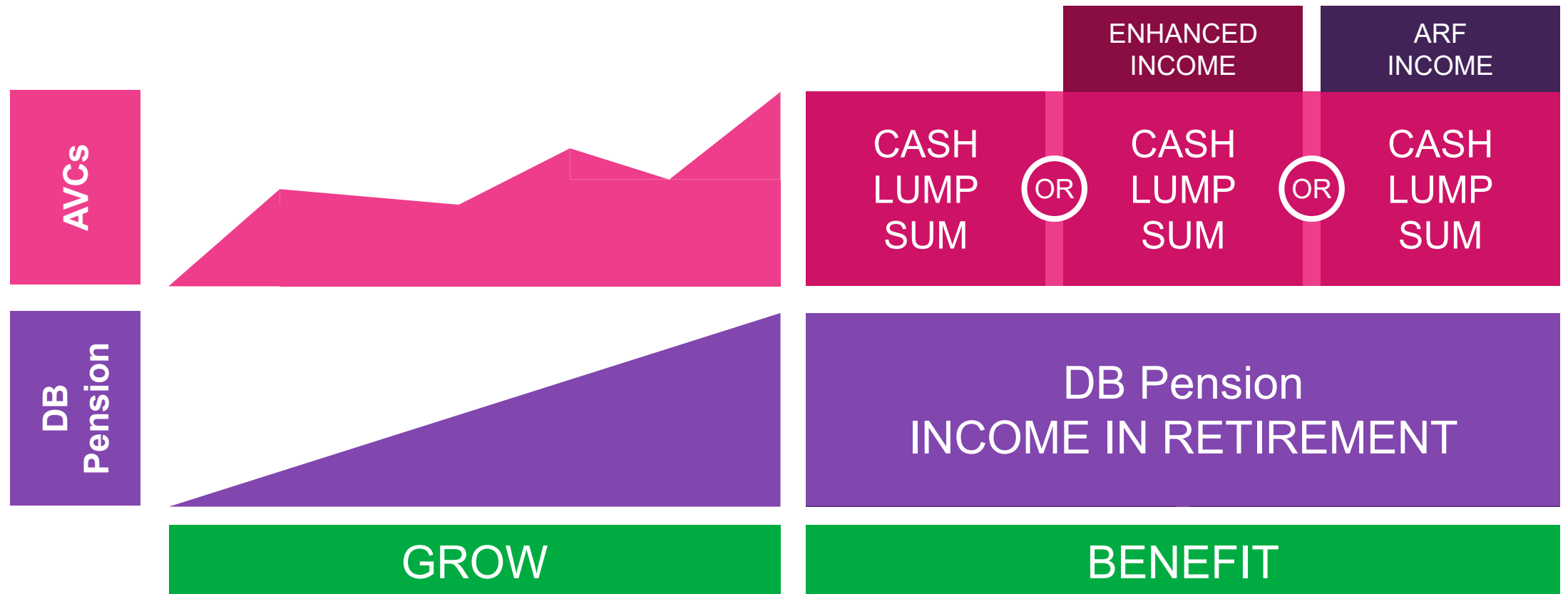
PROBLEM: To get your lump sum from your DB Pension, you have to give up retirement income

SOLUTION: Take your lump sum from AVCs, and take your full income from the DB Pension



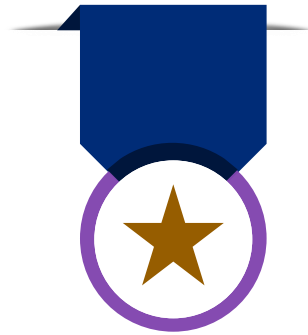
How a Defined Benefit (DB) pension works

Any excess over Revenue maximum tax-free lump sum can be taken as extra income, or invested in an Approved Retirement Fund (ARF)



Aim for gold in retirement

Enhancing your retirement with AVCs



BRONZE STANDARD

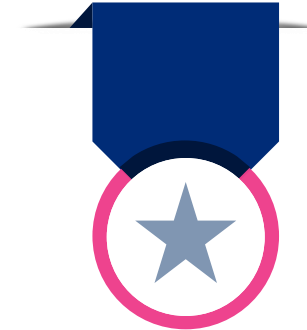
Get more money from your employer by **joining your workplace pension** and (if appropriate) choosing the **highest tier contribution**



GOLD STANDARD

Maximise your pension contributions by **making Once-off AVCs** whenever you can

The deadline for each tax year is **31 October**, or **mid-November** (if making returns via ROS), the following year



SILVER STANDARD

Boost your pension savings by making **regular AVCs** (Additional Voluntary Contributions)



Please note: Lump Sum Additional Voluntary Contributions (AVCs) can be made at any time during the year.

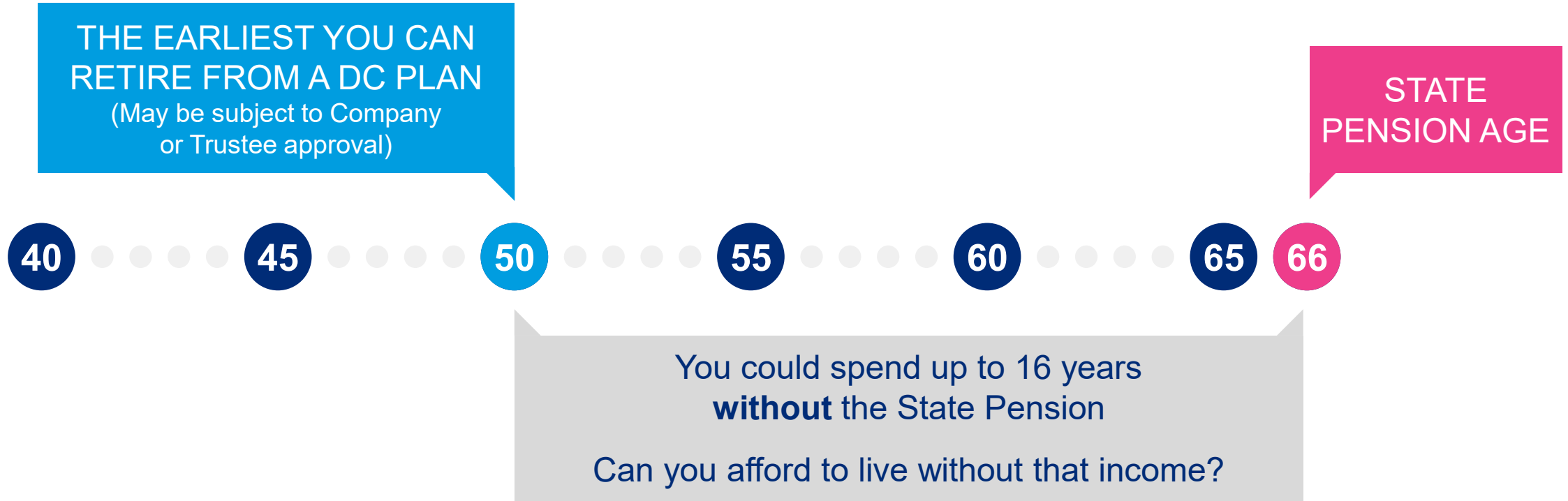
thinking about

**early
retirement?**



Thinking about early retirement

AVCs can help you bridge the State Pension gap



Additional Voluntary Contributions can help provide the income that would let you retire early

upgrade your retirement
save more



How do you imagine your retirement?



How do you imagine your retirement?



Upgrading your retirement with AVCs

Two types of AVCs



Regular AVCs

- Income tax relief at source through payroll
 - No action needed!
- Made monthly (or at your payroll frequency)
- Can be increased whenever you want, e.g., when you get a salary increase
- Flexible: start, pause, or stop whenever you want

Once-off AVCS

- Income tax relief claimed as part of tax return
- Made whenever you like, for example:
 - At end of tax year
 - When you get a bonus or other windfall



your savings

go further



Your savings go further in a workplace pension

Tax relief on your AVCS

With Standard Rate
Income Tax Relief

20%

€80

How much would it
cost **YOU** to
make an AVC worth

€100

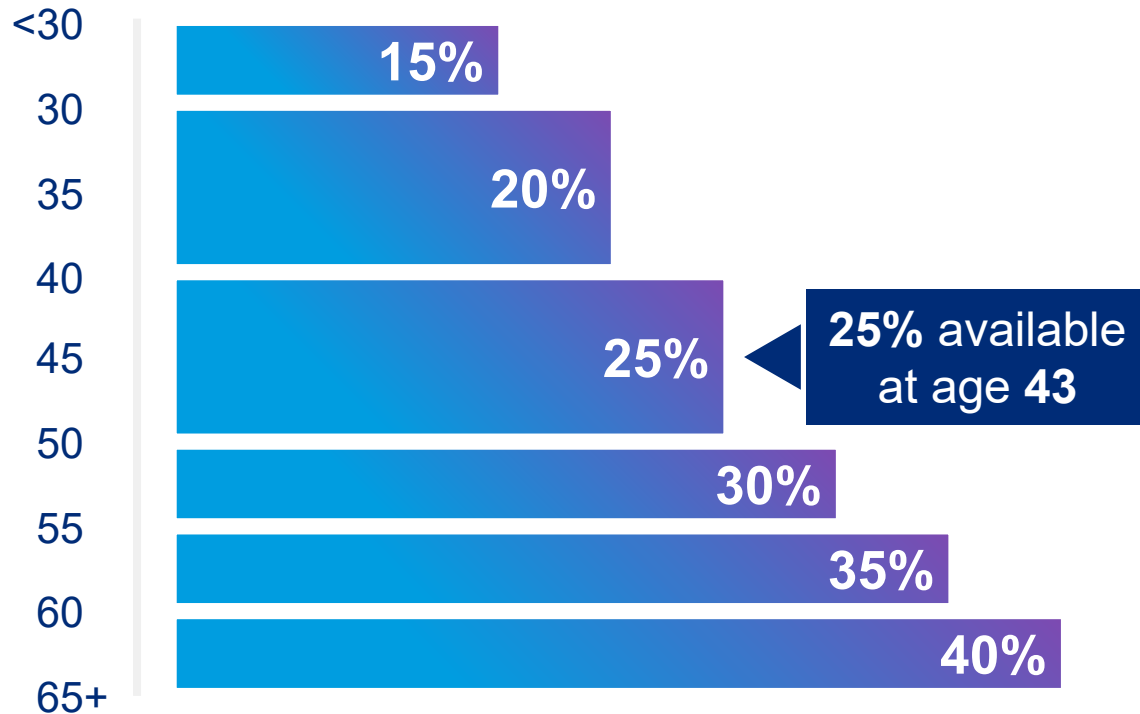
With Higher Rate
Income Tax Relief

40%

€60

Your savings go further in a workplace pension

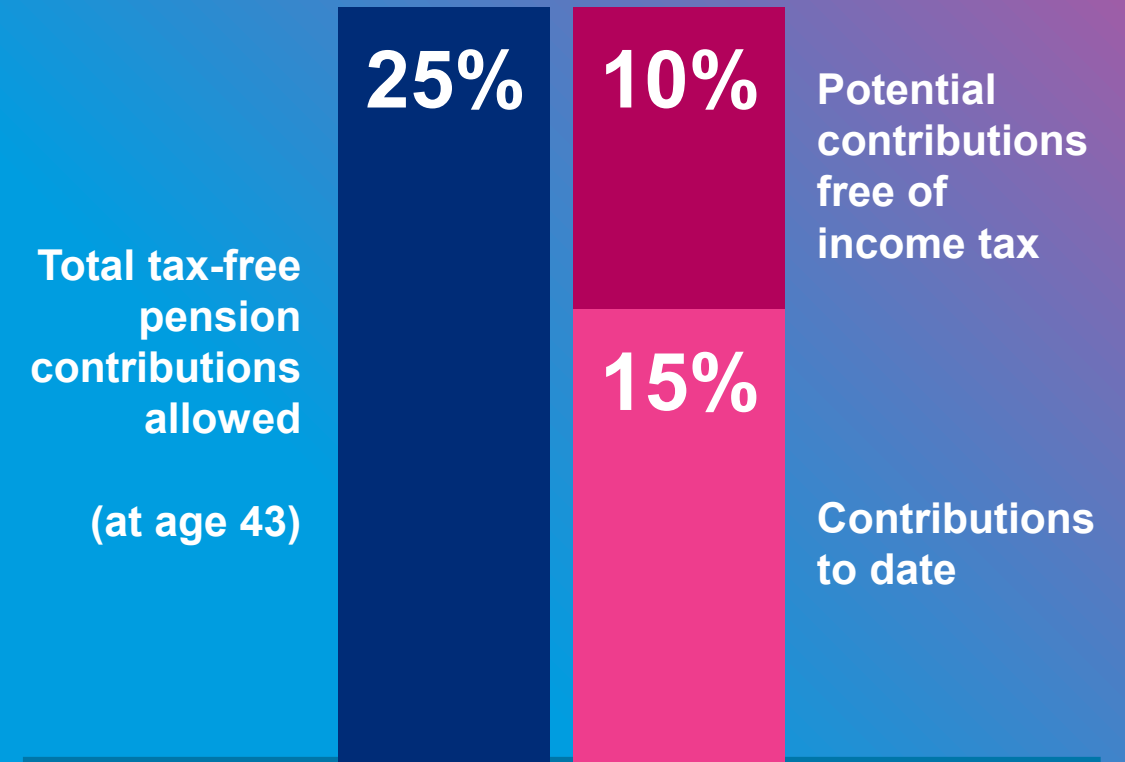
Income tax relief on pension contributions



- Annual tax relief limits are based on your **age** and a percentage of your **total remuneration**
- Total remuneration cap of **€115,000** for tax relief applies
- Employer contributions **DO NOT** count against these limits

Example

You are age **43** and have already made AVCs and regular contributions totalling **15%** of your annual salary this year



Your savings go further in a workplace pension

Saving in a workplace pension Vs private savings

Imagine you have a **€5,000** bonus
(after USC and PRSI) you want to use to save for the future.
Why not just pay it into an investment policy?

€4,646

invested **outside**
a pension

-7%

€8,200

invested **inside**
a pension

+64%

An explanation of how we reached these figures is outlined in the next slide

Your savings go further in a workplace pension

Saving in a workplace pension VS private savings

INVESTMENT OUTSIDE THE PLAN



INVESTMENT INSIDE THE PLAN



When you pay in

As your savings grow

When you take it out

An explanation of examples and assumptions is available in the appendix

Your savings go further in a workplace pension

Could you save too much?

Standard Fund Threshold

- Currently €2.0m (due to change during 2026-2029)
- At retirement, penalty tax is payable on any excess above the SFT (currently 40%)
- In limited circumstances offsets against this tax may be available

SFT applies to the combination of all pension benefits:

- Current workplace pension
- Benefits from previous employers
- Personal Retirement Saving Accounts
- Pensions already in payment
- Potentially includes pensions built up in Ireland but now held abroad

Other tax issues

- You do not benefit from income tax relief on contributions above the limit for your age
- AVCs may not be beneficial if you are likely to be on the same income tax rate in retirement
 - www.Taxcalc.ie
- Lifetime Retirement Lump Sums over €200,000 are subject to tax

If any of these issues might affect you may wish to seek **financial advice**

Your savings go further in a workplace pension

Thinking of moving country or changing job?

- No matter where you live, or who your employer is, when you retire:
 - You will always get the benefit of your **own contributions** and investment returns
 - If you remain a member of the Plan **for two years** you'll receive the benefit of employer contributions too
 - If you are an **Outgoing Worker**, you will also be entitled to receive a refund of the contributions the employer has made to the Plan on your behalf
- Your benefits will be paid to you from Ireland
- You may be able to transfer your benefits to a new employer, even in other countries
- There are no limits on the number of pensions you can hold

An **Outgoing Worker** is someone who either:

- Joined their organisation on or after 13 September 2023 and whose previous employment was in another EU Member State and was an active member of a pension scheme relating to that employment. **OR**
- Leaves their organisation after 13 September 2023 and whose immediate next employment is in another EU Member State.

Check out this
webinar to find
out more



https://bit.ly/CareerMobile_Recording_MA

CLICK ME OR SCAN ME



You can also access
copies of the slides here:
https://bit.ly/CareerMobile_Slides

aim for gold, with a

once-off AVC



Aim for gold with a once-off AVC

How big a once-off AVC could you make this year?

Check entitlement

Submit payment

Reclaim tax

1

2

3

1

Download the **worksheet**

2

Check your **contribution history**

3

Complete the **worksheet**



Mercer Admin



Zurich Admin



New Ireland Admin

Mercer

your lump sum

AVC worksheet

Maximise your tax relief from the government

This digital worksheet will help you calculate how much you can contribute as a tax free lump sum Additional Voluntary Contribution (AVC) for the previous tax year.

Your details - Please type in your answers to the following questions:

1. What age were you at at December last year?
2. What was your total AVC savings up to 31st Dec 2024?
3. What is your current Standard Rate Basic Rate income last year?
4. What was the value of your AVC contributions last year?
5. What was the value of your AVC last year?

Your results:

The amount of your salary you could have used for tax free pension contributions last year - as a percentage of salary

How much of your salary you could have used for tax free pension contributions last year - as a percentage of salary

How much tax relief you already got for last year

This is how much you could still contribute as a tax free AVC

And this is how much tax relief you might get

How: Calculations apply to the previous tax year which runs from 1 Jan to 31 Dec.

Use Help often to explore 'Save AVC' option to understand your options.

Enter to make a contribution via www.zurich.co.uk/avc for more details.

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Scan the QR code or visit the below link

linktr.ee/Lump_Sum_AVC_Aspire



Aim for gold with a once-off AVC

How big a once-off AVC could you make this year?

Check entitlement

Submit payment

Reclaim tax

1

2

3

1

Visit the [microsite](#) for your administrator

2

Follow the [Submit your payment link](#)

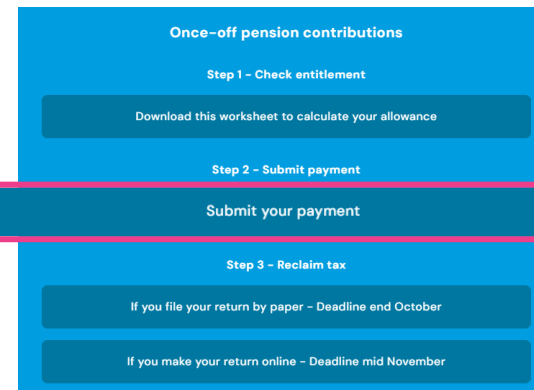
3

Complete your payment by **31 October**

 Mercer Admin

 Zurich Admin

 New Ireland Admin



Scan the QR code or visit the below link

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Aim for gold with a once-off AVC

How big a once-off AVC could you make this year?

Check entitlement

1

Submit payment

2

Reclaim tax

3

1

Complete tax return by **31 October 2025**, if you make your tax return by paper

2

Or by **19 November 2025**, if you both file and pay your tax return online

Once-off pension contributions

Step 1 - Check entitlement

Download this worksheet to calculate your allowance

Step 2 - Submit payment

Submit your payment

Step 3 - Reclaim tax

If you file your return by paper - Deadline end October

If you make your return online - Deadline mid November

 Mercer Admin

 Zurich Admin

 New Ireland Admin

Scan the QR code or visit the below link

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Aim for gold in retirement

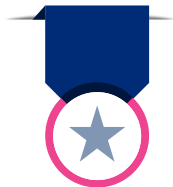
Make a once-off AVC to maximise your income tax relief



GOLD

Maximise your tax relief by making **once-off AVCs**

The deadline for each tax year is **31 October** or **19 November** (if making returns via ROS) the following year



SILVER

Boost your pension savings by making **regular Additional Voluntary Contributions**



BRONZE

Maximise **employer payments** towards your pension

- Join your workplace pension
- Choose the highest matched contribution tier

 Mercer Admin

 Zurich Admin

 New Ireland Admin

1

Check entitlement

2

Submit payment

3

Reclaim tax

Scan the QR code or visit the below link

linktr.ee/Lump_Sum_AVC_Aspire



next

steps



don't let your savings just
float away!

THOUSANDS OF PENSIONS GO UNCLAIMED
because we cannot trace the pension scheme member

Register your permanent **PERSONAL EMAIL ADDRESS:**
Contact your administrator https://linktr.ee/Aspire_YourAdministrator



Please note that your employer may later provide your administrator with updated records that overwrite the email address you choose to register with them.

Where to find useful resources

<https://linktr.ee/AspireRetireInStyle>

Newsletters and webinar recordings to help you plan for later life

<https://linktr.ee/AspireInvestments>

Resources to help you get the most from investing your pension savings

https://linktr.ee/Aspire_AreYouSavingEnough

Guidance on how much to save for the standard of living you want

https://linktr.ee/Lump_Sum_AVC_NewIreland

Lump Sum AVC for New Ireland Administered plans

https://linktr.ee/Lump_Sum_AVC_Zurich

Lump Sum AVC for Zurich Administered plans

https://linktr.ee/Lump_Sum_AVC_Mercer

Lump Sum AVC for Mercer Administered plans

There are loads of great videos available: <https://bit.ly/MercerAspireVideos>



**How Your
Aspire Pension
Plan Works**



**Webinar for ex-pats
or people with
pension entitlements
in other countries**



Next steps

Where to find information or take action

Contact information	Mercer administered plans	Zurich administered plans	New Ireland administered plans
Quick link with all contact details	https://linktr.ee/Aspire_ContactMercer	https://linktr.ee/Aspire_ContactZurich	https://linktr.ee/Aspire_ContactNewIreland
Website	Mercer OneView www.merceroneview.ie	Zurich Connect www.zurich.ie/connect/ "yourcompanyname"	MyPension365 id.mypension365.ie/employee/sign-in
Online query	https://bit.ly/ContactJustASK		
Email	JustASK@mercero.com	aspire@zurich.com	MyPension365@newireland.ie
Call	+353 (0)1 411 8505	+353 (01) 799 2941	+353 (0)1 523 9705
How to take action	Mercer administered plans	Zurich administered plans	New Ireland administered plans
Update your contact details	Contact Mercer JustASK	Contact Zurich helpline	MyPension365 or contact your employer
Reset your login details	Mercer OneView	Contact Zurich helpline	MyPension365 website
Check your policy value	Mercer OneView	Zurich Connect	MyPension365 website
Nominate/update your Do It For Me Target Retirement Date	Mercer OneView	Contact Zurich helpline	Email MyPension365
Check your current investment choices	Mercer OneView	Zurich Connect	MyPension365 website
Check the latest information on your Investment Options	Mercer OneView	Zurich Connect	MyPension365 website
Change your contribution rate	Mercer OneView*	Contact Zurich helpline	MyPension365 website
Change your Investment Options	Mercer OneView*	Zurich Connect	MyPension365 website
Take your retirement benefits	Contact Mercer JustASK	Contact JustASK helpline	Contact JustASK helpline

* Depending on the rules of your Plan, these decisions may be made via a form. If in doubt, check your member booklet.

Appendix

Your savings go further in a workplace pension

Saving in a workplace pension VS private savings

INVESTMENT OUTSIDE THE PLAN



INVESTMENT INSIDE THE PLAN



When you pay in

As your savings grow

When you take it out

Assumptions

Saving in a workplace pension Vs private savings

General assumptions

- The investor is single, male, age 51
- The lump sum available for investing has already been subject to USC and PRSI, but not income tax
- The investor will retire at age 66, and will no longer be subject to PRSI

General investment assumptions

- For this example we compare investing through a workplace pension with investing in an Insurance Bond as this is the closest equivalent investment vehicle. Other investment vehicles are available
- To focus on that tax advantages of investing in a pension we present simplified investment scenarios. We assume that the investments:
- Achieve the same level of growth (roughly 5% p.a. return after inflation and fees)
- Are subject to the same annual management charges
- Achieve 100% investment growth over 15 years

Explanation of examples and assumptions:

Investing in a pension

- We assume that the full value of the investment in the pension is eligible for income tax relief at 40%
- Investment growth on a pension savings is not subject to Capital gains tax
- Investment growth on pension savings is not subject to Exit tax
- You can take a tax-free Retirement Lump Sum (RLS) from your pension savings
- The exact value of the RLS you are eligible to take will vary, depending on your personal circumstances
- You may take a value equal to a Salary & Service calculation or 25% of the fund value
- We have assumed that the investor takes 25% of the value of their pension investment tax free
- The remaining 75% of the pension investment is subject to income tax and USC
- We assume that the investor's overall income will reduce in retirement, and that their income tax liability will drop to 20%. This is common but may not always be the case. Depending on your level of income, some of your income in retirement may be subject to the higher rate income tax (40%)
- We have assumed that USC is payable at the higher rate of 4%. Lower rates of USC may apply if you have a lower income.

Investing in an insurance bond

- The investor pays income tax at the higher rate of 40% before their money is invested in the insurance bond
- Investment growth on Insurance Bond savings is not subject to Capital Gains Tax
- Investment growth on Insurance Bond savings is subject to Growth/Exit Tax of 41% every 8 years and on exit.
- The investor is not able to take advantage of a tax free retirement lump
- There is no ongoing income tax or USC liability on the Insurance Bond

welcome to

brighter



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