



A presentation on Pensions Citizens Information Service

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This change follows a ComReg review.
Our 0761 prefix will cease to operate from 1 January 2022.

Will calls to 0818 cost more?

Calls to 0818 will cost the same as the previous 0761 numbers.
Calls to 0818 are included in call bundles or will cost no more
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PENSION

Welfare payments in retirement

1.	State Pension (Contributory)	<i>PRSI based</i>
2.	State Pension (Non-Contributory)	<i>Means tested</i>
3.	Widow's/Widower's/Surviving Civil Partner's Pension	<i>PRSI based</i>
4.	Carer's Allowance	<i>Means tested</i>

Requesting your PRSI record

You need to create a MyGovID account online

For this you will be required to provide an email address and some personal information.

MyGovID is a secure online account that will enable you to access a broad range of Government services online, including your Contribution Statement on MyWelfare.



Once you create a Basic MyGovID account, you can request your Contribution Statement to be posted to the address on file.

Manual requests for PRSI Records

DEASP will facilitate manual requests for social insurance contribution histories through the 1890 690 690 number from those clients who are experiencing difficulties accessing the mywelfare.ie service.

1890 690 690



Pension age is changing!

Pension Age	Applies to
66	Persons born on or before 31 December 1954
67	Persons born between 1st Jan. 1955 and 31st Dec. 1960
68	For persons born on or after 1st January 1961

Method of calculating State Pensions

At present the State Pension is based on a 'yearly average' system

From January 2020 all State Pensions will be calculated using a Total Contribution Approach (*those born on/or after 1st January 1954*)

Under the Total Contribution Approach the rate of State Pension that you will receive will depend on the number of eligible contributions that you have.

Full details will be available by December.

Calculating your State Pension

Your State Pensions will be calculated:

(a) Using the Yearly Average method
and

(b) A new 'Interim Total Contribution Approach'



You will be granted the higher of the 2 amounts

Persons who qualified for a reduced rate State Pension since 1st September 2012 will also be given this option.

Yearly average system...

To qualify for the State Pension:

- You must be aged 66 or over
- You must satisfy the PRSI conditions at Class A, E, H or S

Note: Class S PRSI is paid by self-employed persons who were first admitted into the PRSI system in 1988.

State Pension: *PRSI* Conditions

1. You must have started paying PRSI before reaching age 56 **and** ✓
2. Have at least 520 weeks of full rate PRSI paid **and** ✓
3. Have a certain yearly average number of contributions ✓

No change in 2020

How the yearly average is calculated

1

For a full State Pension of €243.30 you will need a yearly average of at least 48 contributions between 1979 (or 1988 for the self-employed) and end of tax year before reaching age 66

2

To get a reduced rate of State Pension: You will need a yearly average of at least 10 contributions between your year of entry and end of tax year before reaching pension age.

Reduced Rates of State Pension

Yearly average	Rate of State Pension
● 40 → 47	€243.50
● 30 → 39	€223.20
● 20 → 29	€211.40
● 15 → 19	€161.80
● 10 → 14	€99.20



HomeCaring Credits

Under the new Total Calculation Approach, in addition to paid social insurance contributions, new **HomeCaring credited contributions** will be available for a period/s of up to 20 years of homemaking and caring duties.

Caring periods for children up to age 12, and for a person of any age who requires full time care and attention, may be included in this calculation.



Other Credits

Up to 10 years credited contributions are also available for other reasons.

Example: Periods spent on Jobseeker's payments or Illness Benefit etc

There will be a cap of 20 years on the overall number of credited contributions that may be used in calculating a person's State Pension (contributory) entitlement.



Calculating your State Pension

Add together the following:

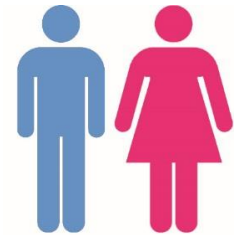
1. Years of paid PRSI contributions
2. Years of HomeCaring credits
3. Years of other credited contributions you have (e.g. from periods on Jobseeker's or Illness benefit).

40 years contributions (paid and credited) are required for a maximum rate State Pension.



Claiming for a Qualified Adult?

Your Qualified Adult is normally your spouse, civil partner or cohabitant.



- For most social welfare payments** your adult dependant cannot have gross weekly earnings or income (before tax and PRSI deductions) of more than €310.
- If your adult dependant earns less than €100 you will get a full Increase for a Qualified Adult (IQA).
- If your adult dependant earns between €100 and €310 you will get a reduced rate of IQA (sometimes called a tapered rate of IQA).
- If your adult dependant is earning more than €310 you will not get an IQA.



Social welfare payment	Increase for Qualified Adult aged under 66	Increase for Qualified Adult aged 66 and over
<u>State Pension (Contributory)</u>	€165.40 (maximum)	€222.50 (maximum)
<u>Invalidity Pension</u>	€148.90	€148.90 (Qualified adults who were over 66 before 2 January 2014 can continue to get a higher rate.)
<u>State (Non-Contributory) Pension</u>	€156.60	The State Pension (Non-Contributory) is not paid for qualified adults over 66. When your qualified adult reaches 66 they can apply for a State (Non-Contributory) Pension in their own right.
<u>Sickness Benefit, Jobseeker's Benefit, Jobseeker's Benefit (Self-Employed), Incapacity Supplement, Injury Benefit, Health and Safety Benefit, Disability Allowance, Blind Pension, Jobseeker's Allowance</u>	€134.70	€134.70

Means Testing

- First €20,000 is disregarded
- Next €10,000 @ €1 per €1,000 per week
- Next €10,000 @ €2 per €1,000 per week
- Balance @ €4 per €1,000 per week



Assets in joint names are split 50/50

Mixed Insurance Pro-Rata Pension

If you do not qualify for the Standard State Pension (520 paid full-rate contributions needed), you may qualify for a '**Pro-Rata Pension**' if you have mixed insurances on your record

Rules:

- You must have a minimum of **260 full-rate paid** contributions since entry into insurance
- Mixture of modified contributions (B, C or D) and full-rate (Class A and/or Class S)

State Non-Contributory Pension

Maximum personal rate	Increase for an adult dependant aged under 66	Increase for a child dependant from 8 January 2021
Aged 66 and under 80 €237	€156.60	Child under 12 years of age €38 (full-rate) €19 (half-rate)
Aged 80+ €247.00		Child 12 years of age and over €45 (full-rate) €22.50 (half-rate)

State Non-Contributory Pension

Maximum personal rate	You will be means tested on	child dependant by 2021
Aged 66 and under 80 €237	1. Income	years of age
Aged 80+ €247.00	2. Savings/assets	of age and over
	3. Additional property	te)
	4. Income from farming.	



Widow's/Widower's/Surviving Civil Partner's Contributory Pension



Persons under age 66 in 2020:-

- Rate of payment = €203
- **With** Children apply for **OPFP** which has PR and IQC
- Children = €38 (U12) €45 (Over 12)

Persons over age 66 in 2020:-

- Apply for State Pension @ €243.30

Duration of payment (Widow/Widowers)

- The pension remains payable while you remain widowed or a surviving civil partner
- If you re-marry, enter a new civil partnership or start to cohabit, it is no longer payable
- Widow's/Widower's/Surviving Civil Partner's Contributory Pension is a taxable payment and you must notify Revenue.



Voluntary Contributions

- Voluntary contributions can help maintain your social insurance record and help you to qualify for social insurance payments in the future. They cover long-term benefits such as pensions. They do not cover short-term benefits for illness, maternity or jobseekers.
- You can choose to pay voluntary contributions (if you are under 66 and meet the other conditions) if you:
 - Are no longer covered by compulsory PRSI in Ireland
 - Are no longer covered by PRSI on a compulsory or voluntary basis in another EU country
 - If you are working outside the EU and not subject to Irish or EU social insurance contributions you may also opt to pay voluntary contributions.



Voluntary Contributions

To be eligible to make voluntary contributions you must:

- Have at least **520 PRSI** contributions paid under compulsory insurance in either employment or self-employment
- Apply to make your voluntary contribution within 60 months (**5 years**) of the end of the last completed tax year (contribution year) during which you last paid compulsory insurance or you were last awarded a credited contribution.
- Agree to pay voluntary contributions from the start of the contribution week that follows the week in which you leave compulsory insurance
- The contribution year is the same as the income tax year so it runs from January to December.
- You **stop paying voluntary contributions** either when you reach 66 years of age or start paying PRSI again.



Benefits Check

Right Payment at Right Time!

- Fuel Allowance
- Living Alone Allowance
- Household Benefits Package (Electricity\Gas; TV licence)
 - Electricity Allowance of €35 monthly (€1.15 per day)
 - or** Natural Gas Allowance of €35 monthly (€1.15 per day)
- Telephone Support Allowance
 - The Telephone Support Allowance (TSA) is an extra weekly payment for people on certain social welfare payments who are also getting both the Living Alone Increase and the Fuel Allowance
- Medical Card
- Free Travel



Useful Links...

❑ Citizens Information

- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/older_and_retired_people/
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/older_and_retired_people/state_pension_contributory.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/older_and_retired_people/state_pension_non_contributory.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/older_and_retired_people/early_retirement.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/older_and_retired_people/payment_for_people_retired_at_65.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/death_related_benefits/widows_non_contrib_pen.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/death_related_benefits/widowed_persons_bereavement_grant.html
- ❑ https://www.citizensinformation.ie/en/reference/guides/supports_for_farmers.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/farming_and_fishing/farm_assist.html
- ❑ https://www.citizensinformation.ie/en/social_welfare/social_welfare_payments/farming_and_fishing/rural_social_scheme.html





