

Pensions Training

Pensions Transfers

- Transfers - Restrictions and Impact on Benefits
- Summary of Transfers Allowed

1. Transfers - Restrictions and Impact on Benefits

- Yes, can transfer to one or more than one PRSA
- Where transferring life office agrees
- PRSAs can't impose a charge
- There may be charges when transferring out of the personal pension
- Employees gain early retirement option from age 50 under a PRSA, on leaving employment

- Yes
- Consent of Life Office required on pre 6 April 1999 plans
- Transferring policy to cease
- Transfer value only Personal Pension allowed

- No
- But Personal to PRSA is allowed
- Subsequently PRSA could transfer to Company

Personal Pension to PRB

■ No

PRB to Personal Pension

■ No

- No
- But Personal to PRSA is allowed
- Subsequently PRSA could transfer to Overseas, subject to certain conditions

■ No

- Yes
- Can't impose a charge on either transaction
- MVA could apply

- Yes
- PRSA can't impose a charge

■ No

- Yes
- Receiving scheme must be Revenue approved
 - (Min €3,000 employer contribution required)
- Split transfers are not permitted
- Schemes for different employers?
 - Transfer allowed on wind-up or leaving service
 - Important to be aware of death benefit before TV
- Schemes for same employer?
 - Transfer allowed at any time

- Should not gain or lose
- Transferring scheme to confirm TFLS entitlement
- In practice calculated based on old salary and service

- Calculated based on old salary and service
- Transferring scheme checks Rev max limits when transferring
- New salary and service must justify new employer contributions

- Full value of a preserved benefit can be paid to estate on death
- Client should be aware, if transfer from old employer to new employer's scheme, then

Death Benefit is

- 4 times new employer salary
- No allowance for salary with old employer
- Value of own contributions
- Can only treat part of transfer value as own contributions if transferring scheme confirmed

■ No

- Allowed if
- Member has been in scheme for 15 years or less, and either
 - the scheme is being wound up
 - or*
 - the member is changing employment
- Value of AVCs can be transferred to PRSA without regard to the above restrictions

**Certificate of Comparison and reason
why statement required**

- Certificate of Benefits Comparison/ reasons why TV should/ not proceed
- TV never permitted if member has 15 or more years in pension scheme with that employer





- Value is less than €10,000

or

- Refund of member's own contributions, or where the member has no preserved benefits under The Pensions Act

or

- Occupational Scheme is winding-up

PRSA to a PRB

■ No

PRB to a PRSA

■ No

- Yes
- Available on leaving service or wind-up
- Can split value to different PRBs
- But TFLS can only be paid from one PRB
- PRB will only accept transfer from one employment

- PRBs from Defined Contribution Schemes have ARF options
 - If DC scheme provided ARF options at date of transfer

- PRBs from Defined Benefit Schemes
 - Follows the rules of the main scheme
 - Proprietary directors continue to have ARF options
 - Those with no ARF options under the DB scheme will not gain ARF options by transferring to a PRB

- What's happening to the main scheme?
- AVCs follow the main scheme

- Yes
- Different Employer?
 - Follows main scheme
- Same employer?
 - Any time

- Yes
- 15 year rules does not apply
- Not just on leaving service or wind-up
- Certificate of Comparison required if,
 - Value greater than €10,000 and scheme not being wound up

- Yes
- Need to check if PRB contract permits transfer out
- Same benefit issues as Company to Company

- Yes
- Need to check if PRB contract permits transfer out
- Existing PRB will not accept transfer from a different employment

2. Summary of transfers allowed

To From	PRB	PRSA	Personal Pension	Company Pension
PRB	Yes	No	No	Yes
PRSA	No	Yes	No	Yes
Personal Pension	No	Yes	Yes	No*
Company Pension	Yes	Yes	No	Yes

- * Personal pension can transfer to PRSA which can transfer on to a company pension

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