



## Example

John is a 45 year old employee who paid Income Tax at the 40% rate in 2018. He makes a pension contribution of €10,000 by 31 October 2019 and **informs his local tax office by 31 October 2019** that he wishes to backdate relief on this to 2018. He is entitled to the following refund:

	40% Taxpayer
Gross Pension Contribution	€10,000
<b>Tax Refund</b>	<b>€4,000</b>
Net Outlay	€6,000

Note: For employees who paid Income Tax at the 20% rate in 2018, the refund of Income Tax will be €200 for every €1,000 contributed to a pension plan.

**Important!** Tax refunds are claimed by the individual informing his/her tax district by 31 October 2019 that the tax relief on the contribution paid by this date is to be backdated to 2018.

Note: If you use the Revenue Online Service (ROS) to both file your tax returns and pay your taxes you have until 12 November 2019 to file and pay for 2018.

## What type of pension plan?

- If you are an employee in non-pensionable employment, you can make contributions to a Personal Pension plan or a PRSA plan.
- If you are an employee in pensionable employment, you can make contributions to a Group Additional Voluntary Contribution (AVC) arrangement or to a PRSA AVC plan.

Note: Pensionable employment is where you are a member of an occupational or statutory pension scheme. You are not in pensionable employment where your employer is contributing to a PRSA arrangement on your behalf.

Make the most of the tax-efficiency of pension contributions now – you may never get such good value again!

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