



cutting through complexity

APPENDIX ONE

SUMMARY OF OTHER CHANGES TO THE
TAXATION OF PENSIONS

APPENDIX TWO

PENSION SFT/PFT ACTION LIST

Issue	Pre-Budget 2011	Post-Budget 2011
Earnings cap (maximum amount on which tax relief can be claimed)	€150,000	€115,000
Employee PRSI (on employee pension contributions)	None	4%
USC on employee pension contributions	N/A (income levy applied)	Up to 7%
Employer PRSI (on employee contributions)	None	50% of employee contributions
Employer PRSI (on employer contributions)	None	None
ARF annual deemed distribution	3%	5%
ARF availability	Personal pensions, AVC funds, & > 5% proprietary directors	DC pension schemes also
ARF, minimum income levels & AMRF	€63,500 to AMRF unless annual income of €12,700	€120,000 to AMRF unless annual income of €18,000

All of the above are effective from 1 January 2011, with the exception of the availability of ARFs to defined contribution schemes, which is effective from the date of the passing of the Finance Act. The 5% annual deemed distribution applies to values from 31 December 2010 onwards.