

save on income tax by saving more for retirement

The Law Society Retirement Trust Scheme



Dear Member,

You may wish to maximise both your tax savings for the year and your pension benefits at retirement by making a single premium payment to The Law Society Retirement Trust Scheme (“the Scheme”). Please see the newsletter below for more details.

Making your single premium payment in 2023

Single Premium Remittance Form



We are asking all members to make their single premium remittance by Electronic Fund Transfer (EFT), rather than by cheque. Access the online form quickly and conveniently by scanning the **QR code**. Simply open your smartphone camera and point it at the QR code provided. Your smartphone will automatically recognise the code and present you with a link to our online form. Tap the link, and you'll be directed to helpful instructions on how to make a contribution and the online form that notifies Mercer of your payment. If your smartphone does not have this capability you will need a QR code scanner mobile app to scan the QR code.

If you have not made a single premium payment before and wish to learn more about the potential benefits of doing so or have any questions about the Scheme please contact the JustASK team on **(01) 411 8505**. You may also wish to discuss this matter with your accountant or financial advisor to ensure that you are not missing out on a valuable benefit.

Increasing your benefits by making a pension single premium payment

A simple way to increase your benefits is to increase the amount of money going into your Retirement Account in the first place by making a single premium payment. Single premium payments are any pension contributions you choose to make in addition to any regular pension contributions to the Scheme.

What are the advantages of making pension single premium payments?

The best thing about making a single premium payment is that you receive income tax relief on your payment (up to Revenue limits*) and on any investment growth, so they offer a very competitive way of saving for retirement compared to saving for the future in a high street bank.

The advantages of making a payment

- Single premium payments are eligible for income tax relief (up to Revenue limits*)
- Single premium payments increase the money in your Retirement Account
- Unlike non-pension savings and investments:
 - Single premium payments can be claimed as expenses in your year end tax return
 - Any investment growth is tax free

*Revenue limits on tax free contributions

Revenue sets limits on the pension contributions you can receive income tax relief on each year.

These limits include all pension contributions you can make each year, including both your single premium contribution and any regular contributions (if applicable) you make to all pension Schemes.

These limits are based on your age and a percentage of your Earnings (up to €115,000).

The disadvantages of making a payment

- Single premium payments cannot normally be withdrawn from your pension until retirement
- At retirement, single premium payments can only be used for the purpose of augmenting your retirement benefits:
 - An income for life
 - Tax free/taxable cash (restrictions apply)
 - ARF (continued investment)

Age	% of earnings up to €115,000
Under 30	15%
30 – 39	20%
40 – 49	25%
50 – 54	30%
55 – 59	35%
Over 60	40%

* Sourced from [revenue.ie](https://www.revenue.ie) as at September 2023

Maximising your tax relief for the 2022 tax year

Your pension contributions are eligible for income tax relief, which means that the amount of money you invest in your Scheme costs you less in terms of net remuneration. Making a single premium payment by 31 October 2023 (or by 15 November 2023 if filing your tax return online) offers an excellent opportunity to take full advantage of the tax relief on offer for the year and maximise the amount of money saved in your pension at the minimum cost to you.



Making a single premium payment

Please scan the QR code on the first page and follow the steps to make a single premium payment. Pay by electronic transfer (scan the QR code for EFT payment details) or by cheque (made payable to **'The Law Society Retirement Trust Scheme'**).

It is important that you complete the form online by scanning the QR code to notify Mercer of your payment.

Claiming tax relief

Tax relief should be claimed by completing your normal tax return within the timeframes laid down by Revenue.

Further information can be found at www.revenue.ie

Important update: new Revenue process for 2023

The Revenue have introduced a new process this year whereby they now require the **Pension Tax Certificate**, which evidences payment of the pension contribution, to be submitted in advance of the income tax deadlines.

Mercer will issue this Certificate once the receipt of your payment has been validated.

To minimise delays you should submit payment electronically via bank transfer, including your scheme name & membership reference number as a reference on the payment AND you should also submit a completed Once-Off single premium payment form online (available through this [link](#) or QR code above).

Our bank account details are shown on the online payment form and remitting your payment & completed online form in this way will ensure we can quickly validate the correct payment against your pension account, which in turn will allow us to post your Pension Tax Certificate as quickly as possible.

How are your single premium payments invested in the Scheme?

Once the administrator receives your single premium payment, it will be invested in your current investment option. Please note that your current investment option can be changed should you choose to do so. You may view your current investment option on Mercer OneView. Should you wish to change your current investment option, you will need to log onto Mercer OneView and click on **Manage my Investments** on the side menu bar. You will be able to change the investment of your existing contributions or your future contributions or both existing and future contributions in this section. Once you confirm your change in investment option, a fund switch will be completed (if required).

On Mercer OneView, you will be able to see performance details of each fund option along with up to date Fund Fact Sheets. Also under Plan Materials, you will find **Your Explanatory Guide** which provides details of all the fund options available to you.

Alternatively, if you do not have your Pension Tax Certificate when making your tax return, Revenue have confirmed they will accept a note from the taxpayer uploaded to ROS confirming the following information;

- Date of payment of the pension contribution.
- Total amount paid.
- Type of pension payment i.e. Retirement Annuity Contract (RAC) Contribution.
- Policy number i.e. RAC36
- Name and address of the member.
- Confirmation that the tax relief is not being claimed through payroll and the contribution is a once off payment.

Revenue have also advised that a Word, PDF or Excel document, uploaded to ROS containing the above information, is sufficient.

We recommend any member considering paying a pension single premium payment to do so as soon as possible.

Deadline

The deadline for making single premium payments and claiming tax relief in respect of any particular tax year is normally 31 October in the following year. If you complete your tax returns online you must make your single premium payment by the online return filing date of 15 November 2023. Payments in respect of year end 31 December 2022 should reach your pension administrator before 31 October 2023 or the later online return filing date.

Please note:

It is recommended that you make any single premium payments in advance of the deadline to allow sufficient time to complete your tax return, as the Revenue adhere to the strict deadlines.

You should note that single premium payments receive relief from income tax at your appropriate rate, but not from PRSI or the USC.



How to log on to Mercer OneView

Step 1

- Visit www.merceroneview.ie
- Enter your **Employer Code: LAWSOC**
- Click **next**

Step 2

- Enter your **Employee ID** (This is your pension scheme membership number shown on your annual benefit statement)
- Enter your Personal Access Code (PAC)
- Click **submit**

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The information in this newsletter is correct as at the time of publication (October 2023).
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