CHAPTER 1

INTRODUCTION

Revised September 2015

General

1.1

The legislation governing the tax treatment of pensions is contained in Part 30, Taxes Consolidation Act 1997:

Chapter 1     Occupational Pension Schemes
Chapter 2     Retirement Annuities and Approved Retirement Funds
Chapter 2A    Personal Retirement Savings Accounts
Chapter 2B    Overseas Pensions Plans: Migrant Member Relief
Chapter 2C    Limit on Tax Relieved Pension Funds
Chapter 4     Miscellaneous

The Act grants discretionary powers to Revenue in relation to the approval of occupational pension schemes, personal pension contracts and Personal Retirement Savings Account products. The Revenue Pensions Manual gives general guidance on, among other things, how these powers are exercised. While the Manual reflects the current tax position at the time of writing, it is not binding in law. Revenue reserves the right to apply different treatment where appropriate in any particular case.

All enquiries in relation to matters covered by the Manual should be addressed to the Office of the Revenue Commissioners, Financial Services (Pensions), Large Cases Division, Ballaugh House, 73–79 Lower Mount St. Lower, Dublin 2, Ireland.

Email: lcdretirebens@revenue.ie Telephone: 00 353 1 6131800.

Please refer to Part 9.6 of the Stamp Duty Manual for information in respect of the levy on pension schemes under section 125B of the Stamp Duties Consolidation Act 1999.
How to use the Manual

1.2

The list of Contents details the various topics covered. The Glossary, (Appendix 1), defines all words which are printed in italics.

Outline of Part 30 Taxes Consolidation Act 1997

1.3

The principal provisions of Part 30 are as follows:

Chapter 1 Occupational Pension Schemes

Section 770 Interpretation and supplemental
Section 771 Definition of retirement benefits scheme
Section 772 Conditions for approval of schemes and discretionary approval
Section 772A Approval of Retirement Benefits Products
Section 773 General Medical Services: superannuation scheme
Section 774 Certain approved schemes: exemptions and reliefs
Section 775 Certain approved schemes: employer contributions
Section 776 Certain statutory schemes: exemptions and reliefs
Section 777 Charge to tax in respect of certain relevant benefits provided for employees
Section 778 Exceptions from charge to tax under Section 777
Section 779 Charge to tax of pensions under Schedule E
Section 779A Transactions deemed to be pensions in payment
Section 780 Charge to tax on repayment of employee’s contributions
Section 781 Charge to tax on commutation of entire pension in special circumstances
Section 782 Charge to tax: repayments to employer
Section 782A Pre-retirement access to AVCs

Chapter 2 Retirement Annuities & Approved Retirement Funds

Section 783 Interpretation and General
Section 784 Retirement Annuities: relief for premiums
Section 784A Approved Retirement Fund
Section 784B Conditions relating to an approved retirement fund
Section 784C Approved Minimum Retirement Fund
Section 784D Conditions relating to an approved minimum retirement fund
Section 785 Approval of contracts for dependants or for life assurance
Section 786 Approval of certain other contracts
Section 787 Nature and amount of relief for qualifying premiums
Chapter 2A  Personal Retirement Savings Accounts
Section 787A  Interpretation and supplemental
Section 787B  Relevant earnings and net relevant earnings
Section 787C  Granting relief for PRSA contributions
Section 787D  Claims to relief
Section 787E  Extent of relief
Section 787F  Transfers to PRSAs
Section 787G  Taxation of payments from a PRSA
Section 787H  Approved Retirement Fund option
Section 787I  Exemption of PRSA
Section 787J  Allowance to employer
Section 787K  Revenue approval of PRSA products
Section 787L  Transfers to and from a PRSA

Chapter 2B  Overseas Pension Plans: Migrant Member Relief
Section 787M  Interpretation and General
Section 787N  Qualifying overseas pension plans: relief for contributions

Chapter 2C  Limit on Tax-Relieved Pension Funds
Section 787O  Interpretation and General
Section 787P  Maximum tax-relieved pension fund
Section 787Q  Chargeable excess
Section 787R  Liability to tax and rate of tax on chargeable excess
Section 787RA  Credit for tax paid on an excess lump sum
Section 787S  Payment of tax due on chargeable excess
Section 787T  Discharge of administrator from tax
Section 787TA  Encashment option
Section 787U  Regulations (Chapter 2C)

Chapter 4  Miscellaneous
Section 790  Liability of certain pensions, etc. to tax
Section 790A  Limit on earnings
Section 790AA  Taxation of lump sums in excess of the tax free amount
Section 790B  Exemption of cross-border scheme
Section 790C  Relief for deduction under Financial Emergency Measures in the Public Interest Act 2009
Section 790D  Imputed distribution from certain funds
Section 790E  Taxation of certain investment returns to relevant pension arrangements
Schedule 23 Occupational Pension Schemes

1. Application for approval of a scheme
2. Information about payments under approved schemes
3. Information about schemes other than approved schemes or statutory schemes
4. Responsibility of administrator of a scheme
5. Regulations
6-9. Charge to tax in respect of unauthorised and certain other payments

Schedule 23A Specified Occupations and Professions

Schedule 23B Limit on Tax-Relieved Pension Funds

1. Calculation of the uncrystallised pension rights of an individual on the specified date
2. Occurrence of benefit crystallisation event
3. Calculation of amount crystallised by a benefit crystallisation event
4. Amount of standard fund threshold or personal fund threshold that is available at the date of a current event
5. Meaning of previously used amount

Schedule 23C Information to be provided in respect of pre-retirement access to additional voluntary PRSA contributions