



**NAVIGATE  
YOUR CLIENTS  
PENSION**

**ITC PRSA Launch. 14th September 2011**

# Pensions Update – Aidan McLoughlin

- **Pensions Levy**
- **PFT and where to now**
- **Lobbying**
- **Defined benefits**

# PRSA

- **Vision - simple, portable, cost effective vehicle**
- **Replacement for Personal Pensions and Executive Pensions**
- **Reality – more complex – however lots of planning opportunities**



## Features of a PRSA

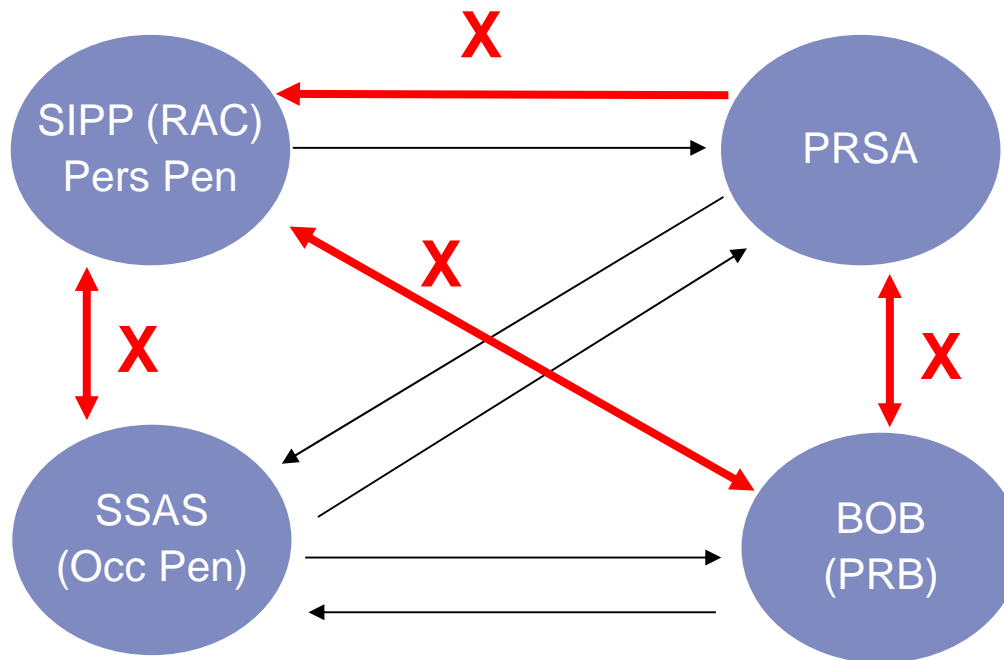
- **Pension account**
- **Pension holder is the Beneficial Owner**
- **Can be used to both accumulate and payout**
- **PRSA can remain in place until at least age 75**

# PRSA – Different States

Distinguish by:

- 
- Charges/Investment – **Standard v Non Standard PRSA**
  - Source – **Non Occupational v Occupational v AVC PRSA**
  - Stage – **Contributing v Vested v Drawdown**

## PRSA Transfers



## PRSA - Accumulating Funds

- **Self employed – tax relief limits 15 to 40%, transfers in.**
- **Employee – tax relief limits 15% to 40%, transfers in, BK.**
- **Portability and Consolidation**



- **Conclusion – accumulate in an occupational scheme – transfer to a PRSA.**

## PRSA – At Retirement

- **Access funds aged 60+ - aged 50+ early retirement if occupational**
- **Unvested PRSA - Preserved Benefit**
- **2011 – Finance Act – AMRF converts to ARF once specified income test of €18k pa met**

## PRSA – In Retirement - Benefits



- **No necessity to take 5% mandatory drawdowns**
- **Drawdowns do not trigger mandatory regime**



- **AMRF Provision not necessary at TFLS stage – necessary at next drawdown – PRSA in Payment**
- **UK Property – tax relief continues**

## PRSA – Early Retirement - Benefits

- **Aged 50+ for Occupational PRSA**
- **Max Funding Calc not necessary – exceptions**
- **Company Directors – no need to sell shares – genuine retirement required**
- **Early retirement through ill health**



## AVC PRSA

- **Useful for Multinational executives**
- **Also useful for Medics**
- **Max Funding Calc Required**
- **15 year Rule does not apply**





## PRSA v ARF - Planning Points



- **No 5% Deemed Drawdown on vested PRSAs**
- **No Pensions Levy on vested PRSAs**
- **Tax deferral until age 75 (possibly post age 75)**
- **UK Property – PRSA avoids withholding tax issue**
- **Early Retirement - PRSA avoids need to sell shares**
- **Pension Adjustment Orders - PRSA can copper fasten final settlement**
- **Can move from PRSA to ARF – not the other way**
- **Unvested PRSA treated as Preserved Benefit – free life assurance**
- **Phased Retirement Possible with PRSA**

## ITC PRSA

- **Fully self-administered**
- **Solely available through Advisors**
- **Assets held under trust**
- **Segregated accounts**
- **Competitively priced**

## ITC PRSA

- **Greater control:** You and your client decide on what investments are made.
- **Greater transparency:** All fees are transparent.
- **Flexibility:** Access the most comprehensive range of investments available.
- **Online bank account access**

# ITC PRSA - Pricing

## Annual Management Charge is:

- **1.25%**      **<€100K**
- **1%**        **€100K to €999K**
- **0.75%**     **>€1m**

# NEW BUSINESS PROCESS



Advisor contacts  
ITC Account Manager

Application pack issued by email or post:

- Application Form
- Preliminary Disclosure Certificate
- Declaration Form
- ITC Terms of Business
- Brochure including Product Terms and Conditions
- Application for Units in the Delta Fund

- Completed application go to ITC
- PRSA and operating bank account established.
- Policy documents issued.

**You're Good to go!!**

## Summary of ITC PRSA

- **Advisor centred**
- **Competitively priced**
- **Highest level of security in the market**
- **The only pure self-administered PRSA in the market.**

**We are open for business!!**



# NAVIGATE YOUR PENSION

[www.independent-trustee.com](http://www.independent-trustee.com)