



A pension plan **is a private savings instrument intended to complement the money received from a public retirement** pension.

## What is a Company Pension Plan?

A company pension plan is one that has been organised by a company in **which the employees themselves are the participants**.

## What types of plan are available?



**Guaranteed plans:** Mora Assegurances guarantees **the capital paid in plus a yield at retirement age**.



**Plans tied to investment funds:** the capital paid in to the pension plan **is not guaranteed at retirement age**.

## Can someone have more than one pension plan?

**Yes.** Someone can have an individual pension plan and a company pension plan at the same time.

## FOR THE COMPANY



The contributions paid by the company:

- 1 They are considered **NON-DEDUCTIBLE COSTS** for Corporate Income Tax purposes<sup>1</sup>.
- 2 They are **EXCLUDED AMOUNTS IN THE CONTRIBUTIONS BASE** of the CASS.

<sup>1</sup> Provided that they are individually allocated to each employee, that the company has no recovery entitlement over the contributions paid and that the company pension plan is outsourced to a financial or insurance entity.

<sup>2</sup> In the event of withdrawal, tax will be paid on the amount of the interest accrued by the contributions from 1/1/2015 plus the amount of the contributions deducted from the taxable base in Personal Income Tax (IRPF) returns up to the date of withdrawal.

## FOR THE EMPLOYEE



- 1 **TAX SAVINGS**
  - They are considered **as income from work and are tax-deductible on your Personal Income Tax (IRPF)** return (€5,000 or 30% of the taxable base, whichever is lower).
  - **They increase your income** from work base at retirement.
- 2 **NON-WITHDRAWABLE PRODUCT**

**Entitlement to the economic rights will arise in the following circumstances<sup>2</sup>:** retirement, death, absolute and permanent disability, serious illness lasting more than 12 months, situation of unemployment lasting more than 24 months, relocation of fiscal residence outside of Andorran territory.