

PERSONAL PENSION TERM INSURANCE



Personal Pension Term Insurance is a Personal Pension Term insurance policy that has been approved under Section 785 of the Taxes Consolidation Act, 1997.

Essentially it is life cover on which the premium qualifies for tax relief at the life insured's marginal rate of income tax, subject to certain limits.

WHO IS PERSONAL PENSION TERM INSURANCE SUITABLE FOR

- Any one who is self employed, either profession or trade such as solicitors, accountants, carpenters or farmers, assessable for income tax under Schedule D Case I and II.
- Anyone who is in non-pensionable employment i.e. PAYE workers who are not part of a company (occupational) pension scheme.

RESTRICTIONS ON PERSONAL PENSION TERM INSURANCE

Due to the generous tax relief available on premiums, The Revenue Commissioners have imposed a number of restrictions:

- The policy can not be used as security for a loan and can not be assigned
- Can not be taken out in a joint or dual life capacity i.e. policy can only be taken out in a single life capacity.

FEATURES OF PERSONAL PENSION TERM INSURANCE

- Taken up to a normal retirement age of maximum age of 75.
- No taxation liability arises on payment of the Death Benefit. The Death Benefit is payable to your personal representatives and may be taxable as part of your estate.
- The expiry date or term of your Pension Term Insurance plan can go beyond your normal retirement age of your pension plan. In other words if you have chosen a normal retirement age of 60 for your pension, you could benefit for life cover up to age 75.

Option	Life Cover of €200,000	Life Cover of €400,000
Life Insured	Non-smoker, age next birthday 40, retiring at age 65	
Premium	€24.62 per month	€45.16 per month
Premium after Tax Relief	€14.52 per month	€26.64 per month
Tax Savings	€24.62 per month	€18.52 per month
Tax Relief	41% (No PRSI/USC relief)	

Assuming a person is eligible for tax relief at 41%. Subject to underwriting, terms and conditions apply.