

Additional Information on Public Service Pension Reduction (PSPR) for Retired Civil Servants

03 September 2020

Public Service Pension Reduction (PSPR)

1. What is PSPR?

PSPR is a further reduction under the legislation and it applies to people who retired before 01 April 2019 only. All PSPR deductions are listed on your payslip as “pension reduction”, showing a minus value.

The PSPR rates, under various categories, are outlined in [Circular 02/2018](#).

2. When will the PSPR adjustment for 2020 be applied to my pension?

All 2020 identified cases have been processed and any arrears due have been included in pension payment. These adjustments are shown as a positive figure across from “pension reduction” on the pay slip.

The table below details the current position in relation to PSPR adjustments.

| Year | Percentage Complete |
|------|---------------------|
| 2016 | 100% |
| 2017 | 100% |
| 2018 | 99.42% |
| 2019 | 99.79% |
| 2020 | 99.97% |

It is now anticipated that the 2018 and 2019 cases outstanding for completion will be processed by mid-September 2020.

Example:

PSPR adjustment given at the same time.

| Gross Earnings | | Deductions | |
|-------------------|---------|------------|--------|
| PENSION REDUCTION | 165.59 | USC | 59.78 |
| PENSTON | 1741.50 | PAYE | 179.50 |

Public Service Pension Reduction (PSPR) Changes from 2011 to 2020

3. How is a PSPR Pensioner Identified?

- Group A - PSPR on pre-March 2012 pension up to €34,132*
- Group B - PSPR on pre-March 2012 pension above €34,132*
- Group C - PSPR on Post-March 2012 Pension above €32,500

*Before the PSPR is applied to pre-2012 retirees. This was expressed as €32,500. (After PSPR) in the FEMPI Act 2013

4. What annual pension is not subject to PSPR?

Group B Pre March 2012

| Year | Value |
|------|-----------|
| 2017 | Up to 22K |
| 2018 | Up to 30K |
| 2019 | Up to 39K |
| 2020 | Up to 54K |

Group C Post March 2012

| Year | Value |
|------|-----------|
| 2017 | Up to 39K |
| 2018 | Up to 60K |
| 2019 | Up to 60K |
| 2020 | Up to 60K |

Below is a summary table of PSPR changes from 2011 to 2020.

(Source: The information contained in the summary table was collated from Circular 02/2018: Pension increase policy in the public service until end-2020 - Appendix 3 - page 15/16.)

Key Points

This section is aimed at addressing queries as to how you can identify PSPR on your pay slip.

| Key Points |
|--|
| PSPR is applied to your Pension Salary. |
| PSPR is shown as 'Pension Reduction' on your payslip which is a minus figure. |
| A normal deduction will be shown as follows: 'Pension Reduction' - 60.50 |
| Any arrears of PSPR will be shown beside this heading with a positive figure. |
| For example, a refund of PSPR will appear on the Payslip under 'Pension Reduction' 31.29 |

Queries

5. If I have a query who do I contact?

If you have a query please contact the following:

Telephone: NSSO Helpdesk 076 - 1002702

(This service is available from 9.00am until 1.00pm Monday to Friday)

Email: pmgpensions@nssso.gov.ie inserting 'PSPR Query' in the subject line

Post: NSSO Pensions Section, Central Business Park, Tullamore, Co. Offaly.

PSPR Rates 2011 to 2020

| Group A PSPR on pre-March 2012 retirees with pensions up to €34,132* | | | | | | | |
|--|------|-------------|------|-----------|------|--------------|------|
| January 2011 to end 2015 | | 2016 | | 2017 | | 2018 | |
| Band | Rate | Band | Rate | Band | Rate | Band | Rate |
| Up to 12k | 0% | Up to 18.7k | 0% | Up to 26k | 0% | Up to 34,132 | 0% |
| 12k-24k | 6% | 18.7k - 24k | 6% | 26k+ | 9% | | |
| 24k+ | 9% | 24k+ | 9% | | | | |

* Before the PSPR is applied to pre-2012 retirees. This was expressed as €32,500 (after PSPR) in the FEMPI Act 2013.

| Group B PSPR on pre-March 2012 retirees with pensions above €34,132* | | | | | | | | | | | | | |
|--|-----------|-----------------------|------|------------|------|------------|------|------------|------|------------|------|------------|------|
| January 2012 to end June 2013 | | July 2013 to end 2015 | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
| Band | Rate | Band | Rate | Band | Rate | Band | Rate | Band | Rate | Band | Rate | Band | Rate |
| Up to 12k | 0% (0%) | Up to 12k | 0% | Up to 17k | 0% | Up to 22k | 0% | Up to 30k | 0% | Up to 39k | 0% | Up to 54k | 0% |
| 12k-24k | 6% (6%) | 12k - 24k | 8% | 17k - 24k | 8% | 22k - 24k | 3% | | | | | | |
| 24k - 60k | 9% (9%) | 24k - 60k | 12% | 24k - 60k | 12% | 24k - 60k | 12% | 30k - 60k | 12% | 39k - 60k | 12% | 54k - 60k | 12% |
| 60k - 100k | 12% (12%) | 60k - 100k | 17% | 60k - 100k | 17% | 60k - 100k | 17% | 60k - 100k | 17% | 60k - 100k | 17% | 60k - 100k | 17% |
| 100k + | 20% (12%) | 100k+ | 28% | 100k+ | 28% | 100k+ | 28% | 100k+ | 28% | 100k+ | 28% | 100k+ | 28% |

2011 rates shown in brackets

Group C PSPR on retirees from March 2012 onward - pensions above €32,500

| July 2013 to end 2015 | | 2016 | | 2017 | | 2018 | | 2019 | | 2020 | |
|-----------------------|------|-------------|------|------------|------|------------|------|------------|------|------------|------|
| Band | Rate | Band | Rate | Band | Rate | Band | Rate | Band | Rate | Band | Rate |
| Up to 12k | 0% | Up to 29.3k | 0% | Up to 39k | 0% | Up to 60k | 0% | Up to 60k | 0% | Up to 60k | 0% |
| 12k-24k | 2% | | | | | | | | | | |
| 24k - 60k | 3% | 29.3k - 60k | 3% | 39k - 60k | 2% | | | | | | |
| 60k - 100k | 5% | 60k - 100k | 5% | 60k - 100k | 5% | 60k - 100k | 5% | 60k - 100k | 3% | 60k - 100k | 1% |
| 100k + | 8% | 100k + | 8% | 100k + | 8% | 100k + | 8% | 100k + | 8% | 100k + | 6% |

Group D Retirees after 1 April 2019 - No PSPR

Sunset Clause - Ministerial Order to be made by end-2020 to set a date, as yet unknown, for ending PSPR. The 2020 rates will apply indefinitely from 2020. A Ministerial Order is required for these rates to be stood down