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Information sheet on personal purchases into the pension fund

Questions and answers

Active insured persons of Asga may make voluntary purchases into the pension fund provided they have available purchase potential.

1. Procedure for making a purchase

What must be considered before making a purchase?

- Any outstanding early withdrawals for home ownership have been fully repaid.
- Benefits withdrawn in the context of a divorce have been fully credited back.
- The Questionnaire for Calculating the Maximum Possible Purchase must be submitted annually (via myAsga or in hard copy).
- A purchase once made cannot be reversed.
- The purchase for the current year must be paid in by no later than mid-December in order to be taken into account for the current year.
- Purchases may not be withdrawn in the form of capital within the next three years from the date of transfer to Asga (lump-sum withdrawal lock-up period). This applies to the lump-sum payment at retirement, early withdrawal for home ownership, and cash payouts.
- The amount of the purchase to be credited may be freely chosen within the available purchase potential but must be at least CHF 1,000.00.
- A purchase is possible up to immediately before retirement. Please observe the three-year lump-sum withdrawal lock-up period and contact your respective tax office in this regard.

2. Purpose of a purchase

Why should you make a purchase? What advantages does a purchase offer?

- A voluntary purchase can serve to improve pension protection by increasing retirement assets.
  Any gaps that have arisen (e.g. because of missing contribution years or a salary increase) can be closed through a purchase.
- Voluntary purchases into the pension fund can generally be deducted from taxable income. We recommend clarifying the tax implications at an early stage with the relevant tax authority.
- In addition, a voluntary purchase may also be made to finance early retirement. Further information on making a purchase for early retirement can be found in our information sheet “Purchase for early retirement” on our website **www.asga.ch**.

Note: The expected impact on retirement assets/the retirement pension can be provisionally simulated in our insurance portal myAsga.

▾ *Please refer to the following page.*

3. Purchase potential

Where can the purchase potential be found?
The **provisional** purchase potential is shown on your personal Asga insurance certificate. This is a guideline value, and a definitive calculation must be prepared before the purchase amount is transferred. For the calculations, we require the “Questionnaire for Calculating the Maximum Possible Purchase”. This can be completed and submitted online in our insurance portal myAsga. The definitive calculation is displayed directly in myAsga, and you can then make the purchase. Alternatively, the questionnaire can be completed as a PDF form at www.asga.ch/downloads and submitted by email to versicherte@asga.ch.

How is the purchase potential calculated?
For the calculation, your current retirement assets are compared with your maximum possible retirement assets.
The difference results in the purchase potential.

To calculate the maximum possible retirement assets, we simulate your pension situation as if you had always been insured under the current conditions.

The following conditions influence the maximum possible retirement assets:

- Insured annual salary
- Savings plan (pension solution)
- Purchase interest
- Contribution years

A change in the factors mentioned above may lead to a reduction or an increase in the purchase potential.

How and when must a calculation be requested?
A calculation must be prepared before each purchase.

In our insurance portal myAsga, the definitive purchase potential can be calculated quickly and easily by yourself. Alternatively, the form “Questionnaire for Calculating the Maximum Possible Purchase” may be submitted. You will then receive the calculation by post.

4. Use of purchases

How are purchases used?
The purchase is recorded as non-mandatory retirement assets. At retirement age, the entire retirement assets are converted into a pension at the applicable conversion rate or, in the case of a lump-sum withdrawal, paid out accordingly in compliance with the capital withdrawal lock-up period.

5. Confirmation of purchases

Where can the purchase made be seen?
Once a purchase has been received, your new insurance certificate is made available immediately in myAsga – postal dispatch follows at a later date. The amount paid in is shown under “Contributions and withdrawals for the current year”. A tax certificate is issued at the beginning of the following year. Please note that on the insurance certificate for the following year, the purchase made in the previous year is no longer shown separately but rather is integrated into the retirement assets.

▾ *Please refer to the following page.*

6. Moving to Switzerland from abroad.

What influence does moving to Switzerland from abroad have on the calculation of a purchase?
If you have moved to Switzerland from abroad within the last five years and were never insured with a Swiss occupational benefits institution before that time, you may make an annual purchase of up to a maximum of 20% of the insured salary during the first five years after joining a Swiss occupational benefits institution.

7. Purchase during a period of incapacity for work

Is a purchase possible?
From the onset of incapacity for work, no further purchase is possible to the extent of the incapacity.

8. Transfer of assets from pillar 3a

Can I transfer my assets from pillar 3a as a purchase into the Asga Pensionskasse?
Pension assets from pillar 3a may be transferred into the pension fund provided that purchase potential is available. Unlike a purchase made from private assets, a transfer from pillar 3a cannot be deducted from taxable income because it is a tax-neutral transaction.

The entire balance from pillar 3a must be transferred. Exception: The assets from pillar 3a exceed the available purchase potential.

9. Tax aspects

Can I deduct a purchase from my taxes?
In principle, a purchase is deductible for tax purposes. The amount of the permitted deduction is assessed by the relevant tax authority. We recommend contacting the relevant tax authority directly before making a purchase.

This information sheet only provides an overview, and the information contained herein does not constitute a legal claim. The legal and regulatory provisions are exclusively authoritative for the assessment of individual cases.