

Pensions, Tax and Retirement....☹

Ian Slattery

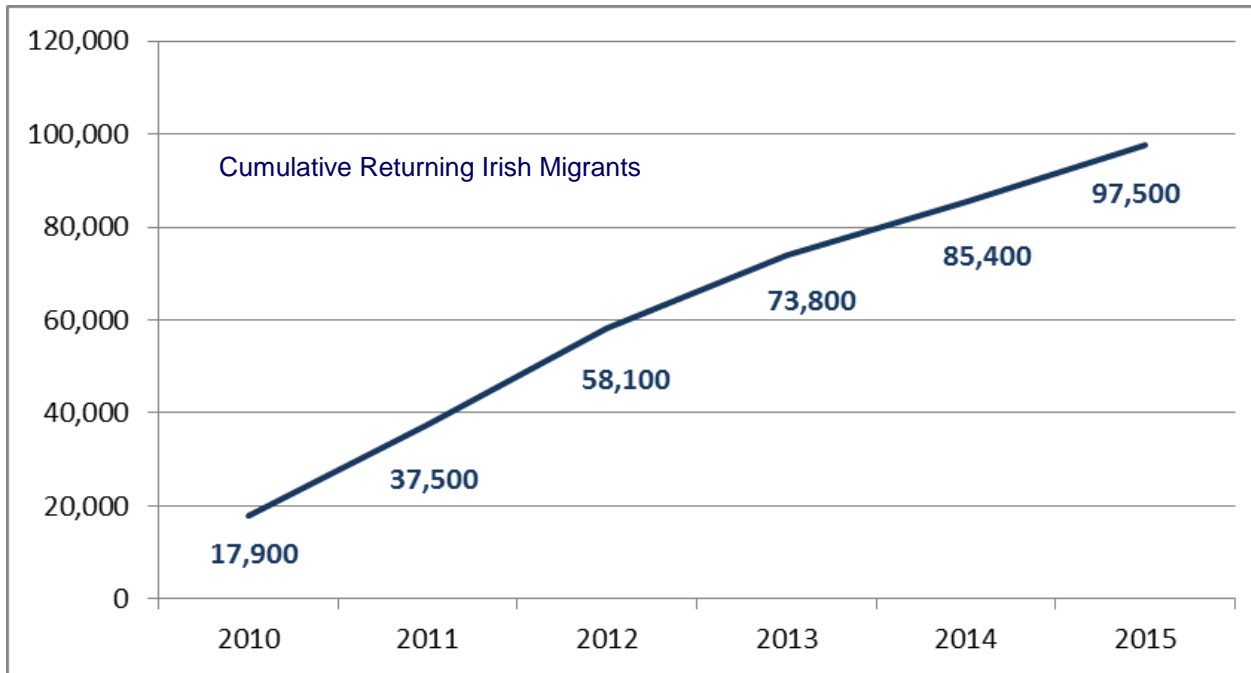
Zurich

21 April 2016



Returning Irish Migrants

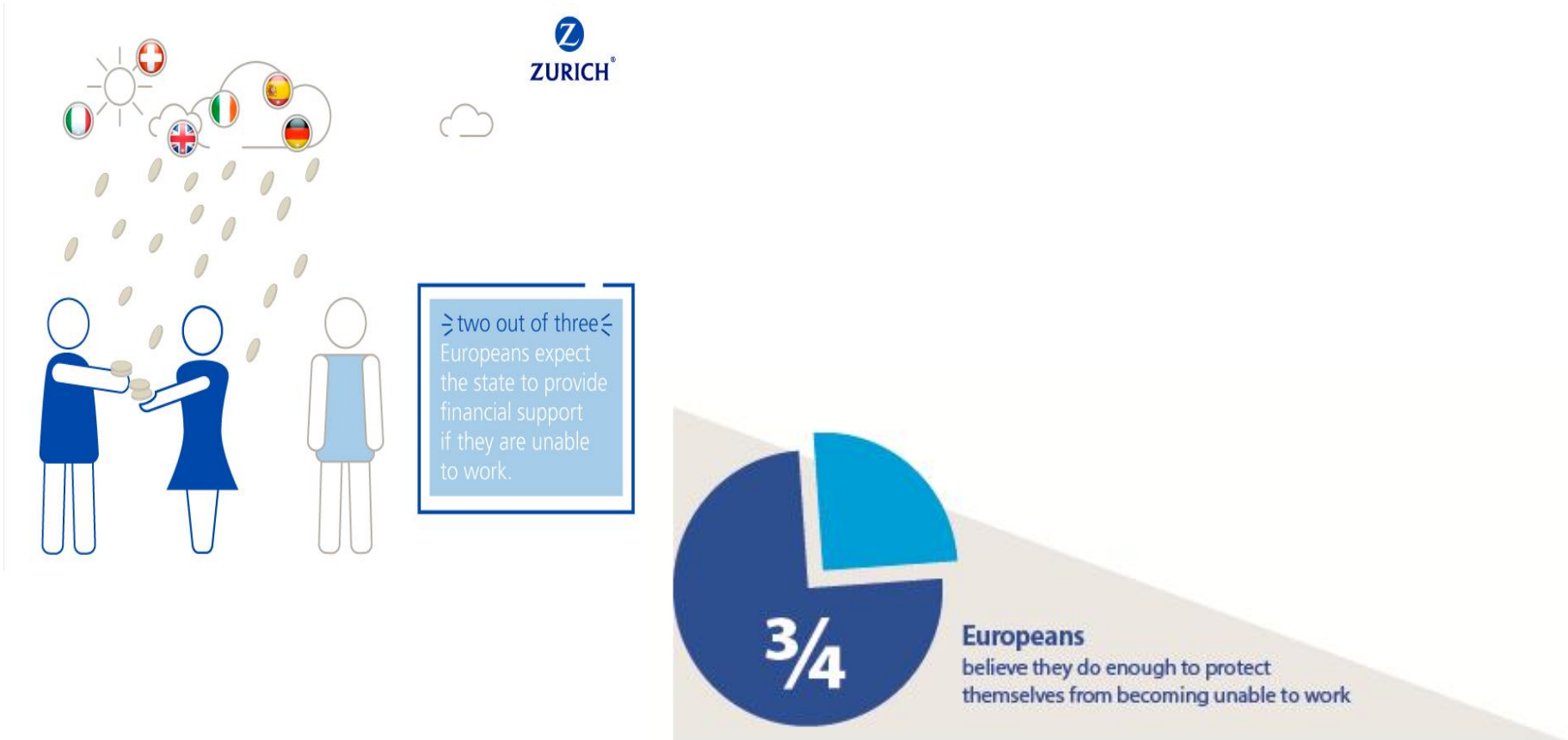
The need for Overseas Transfer Expertise....?



Source: CSO

Mind The Gap

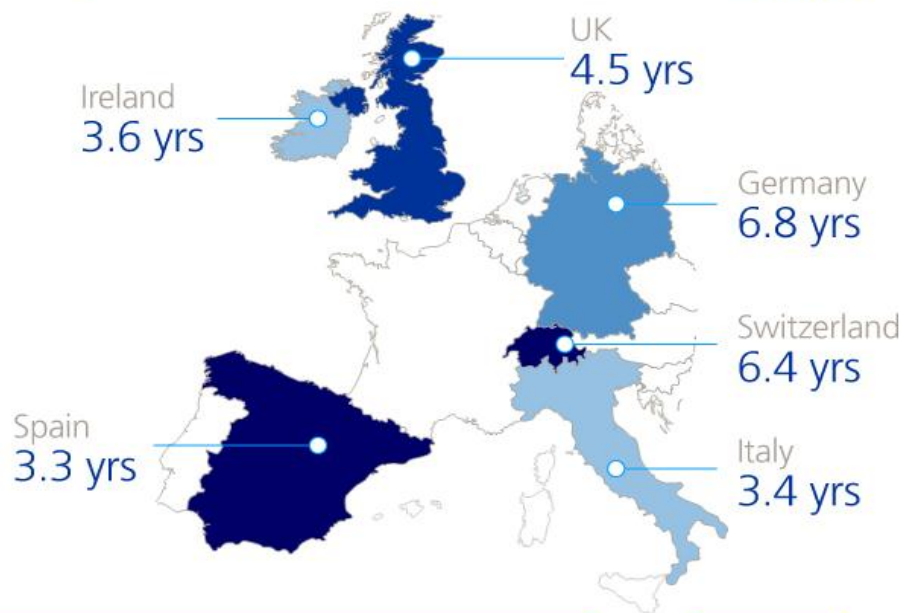
Income Protection Gap Study of Western Europe



Mind The Gap

Savings buffers vary strongly...

Savings* buffer



On average, Europeans believe they have established a buffer of ≥ 4.6 years \leq of living expenses.

*savings, investments, pensions, insurances

Source: Zurich

Mind The Gap

Irish people are aware of the issue...but not prepared



Mind The Gap

So should be easy?! But...



Source: Zurich

Do we need a friend called LISA?

Lifetime Individual Savings Account (Lifetime ISA)

Commencing April 2017

Must be under 40 to start

Save up to £4,000/year.....
.....State top up of 25%

Max top up £32,000 (18-50 years of age)



Do we need a friend called LISA?

Lifetime Individual Savings Account (Lifetime ISA)

To be used for first home worth max of £450,000 or a pension from age 60

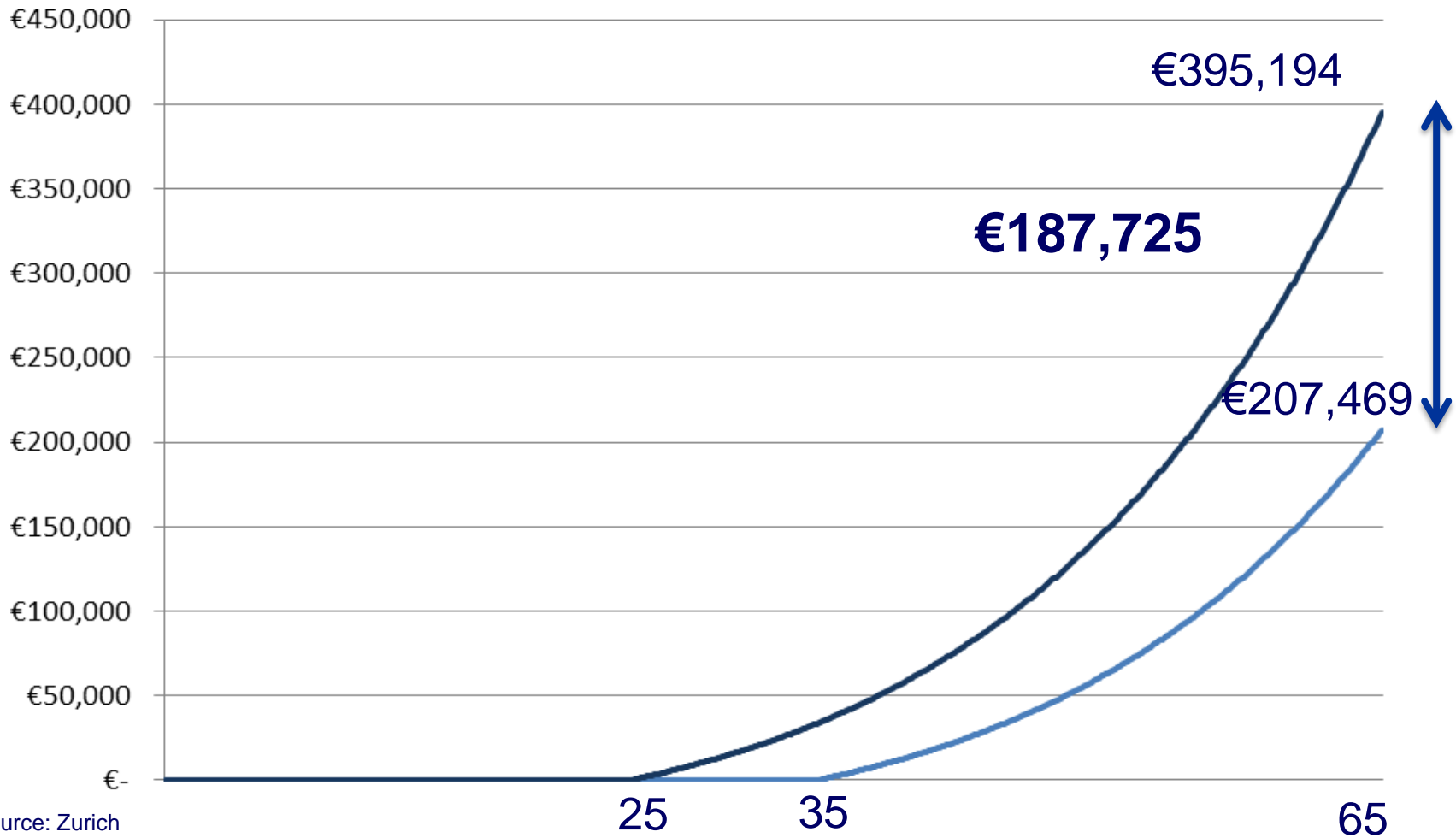
Can withdraw early- although with severe penalties

Tax free accumulation

Money is fully tax free in retirement

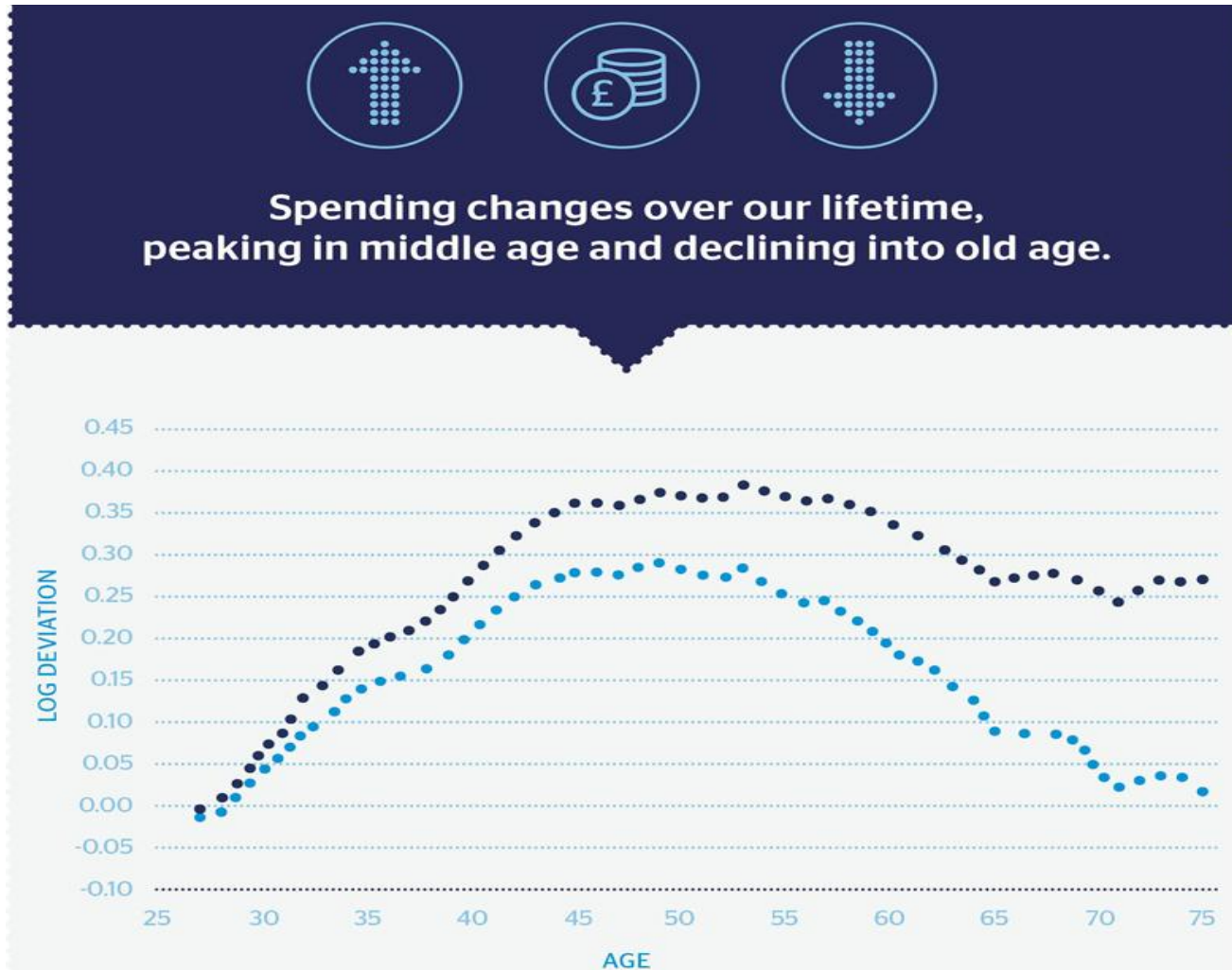
What is the effect of early engagement?

The famous 'Power of Compounding'



Source: Zurich

But it doesn't necessary get any easier...



And healthcare starts to add up...



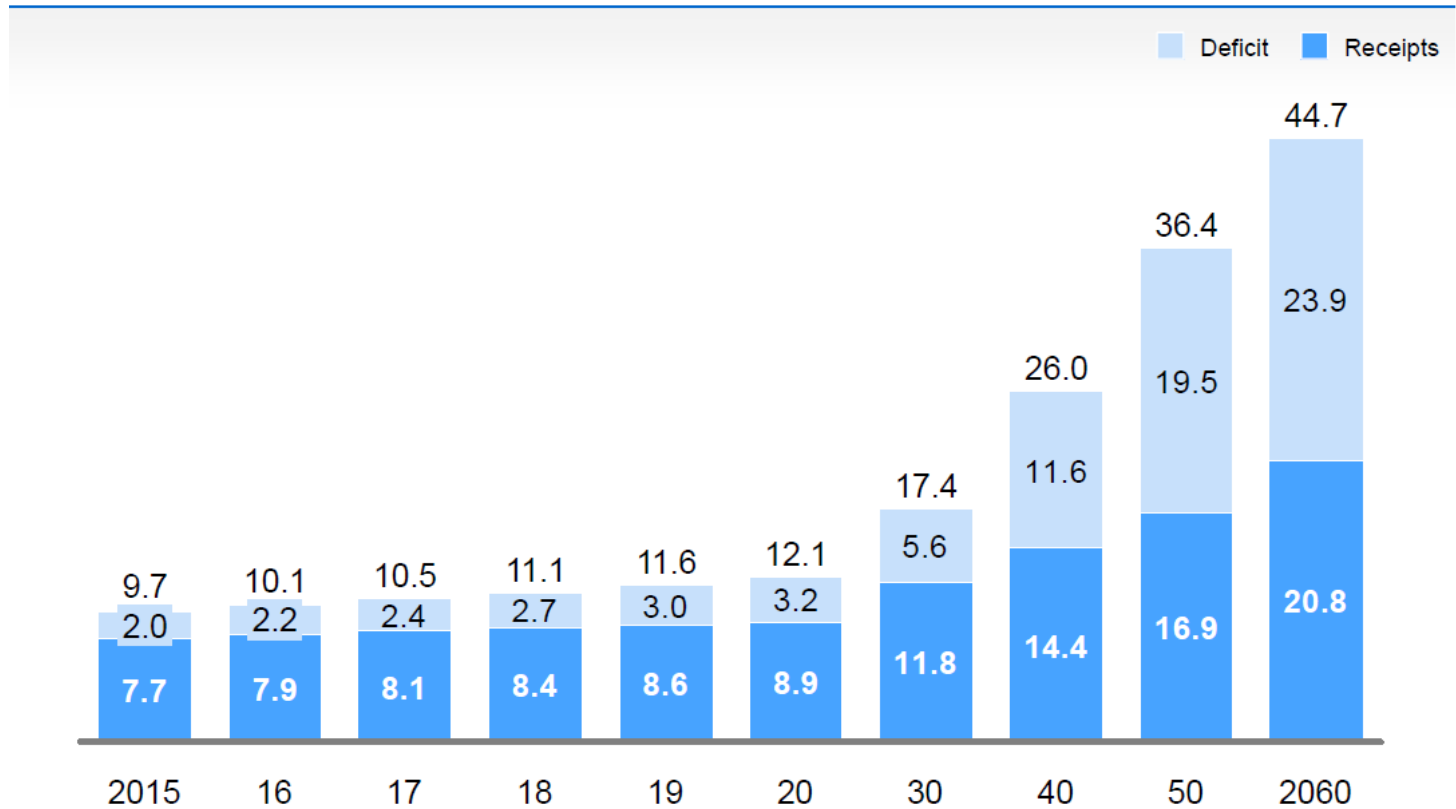
And people need more healthcare as they get older



Source: Zurich

McKinsey Retirement Report

The future doesn't look bright...

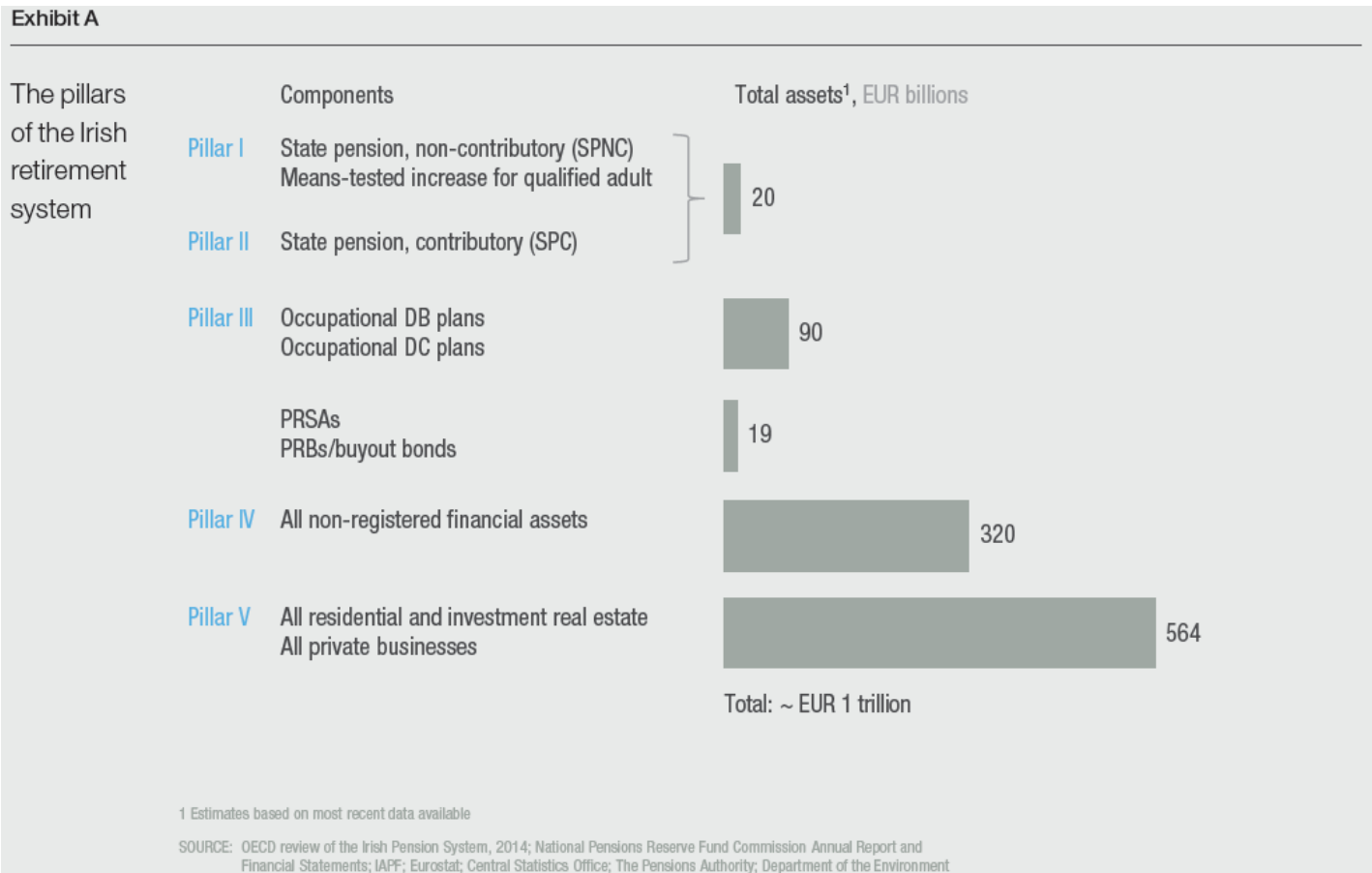


Note: Assessment does not include effect of recent changes to benefit eligibility.

Source: McKinsey

McKinsey Retirement Report

A opportunity to utilise Pillars IV & V?



Source: McKinsey

Conclusion

- A rethink is needed
- There are options under current system
- But maybe the system needs to change
- Simplify the language

Ultimately reframe the question from Pensions to Savings

Zurich Life Assurance plc is regulated by the Central Bank of Ireland

Warning: Past performance is not a reliable guide to future performance.
Warning: Benefits may be affected by changes in currency exchange rates.
Warning: The value of your investment may go down as well as up.
Warning: If you invest in this product you may lose some or all of the money you invest.