

# How to make a lump sum AVC

Additional Voluntary Contributions (AVCs) are a simple and tax efficient way for you to save for retirement. AVCs are extra contributions that you can make to increase the level of your benefits when you retire.

## Process for making Lump Sum AVC

- Contact the scheme administrator or consultant and they will confirm the maximum AVC percentage you can pay. You can pay any amount up to and including the total amount allowable.
- Should you decide to proceed, firstly confirm the AVC amount you are going to pay to the scheme administrator. The scheme administrator will provide you with the applicable bank account details and payment reference as the payment must be paid by Electronic Fund Transfer (EFT).
- On receipt of the payment in the bank account, a Section 30 receipt will be issued for your own records as required and a Tax Receipt so you can claim tax relief. The receipts will only be issued when the money has been received.
- We will process the AVC on your member record and arrange for the money to be invested in line with your current investment strategy.
- When the money has been invested, the investment manager will issue their contract note and the units purchased by the AVC will be updated on your member record.
- Once the AVC has been fully completed, a Statement of Reasonable Projections (SORP) showing the details of the AVC paid will be issued to your home address for your records.

## Notes

- Tax relief is not granted at source as it's paid outside the net pay arrangement. You must include the AVC in your tax return to get tax relief on it. You will not get tax relief on any amount paid over the maximum allowable request.
- The maximum contributions you can pay into a pension scheme are determined by your age and your income. The percentage limits outlined below are applied to your 'Net Relevant Earnings' (gross pay for tax purposes) subject to an earnings cap of €115,000 per annum. The percentage limits are inclusive of all personal contributions paid.

Age (years)	Maximum Contribution
Under 30	15%
30 - 39	20%
40 - 49	25%
50 - 54	30%
55 - 59	35%
Over 60	40%

- The date for filing the tax return and payment of tax due is 31st October (it is extended slightly for online returns).
- The AVC must be paid by EFT and will be subject to Anti Money Laundering Requirements. You will need to provide evidence showing that the AVC was paid from your own personal bank account. The scheme administrator will provide the bank account details once you confirm the amount you are going to pay, as the bank account details vary per scheme.
- Your AVC will be invested in line with your current investment strategy unless otherwise advised. If you would like to change this at any stage, you can log into your member record and complete an investment switch online yourself. The Investment Guide provides full details of the investment strategy and investment funds choices available under the scheme.
- **Please note that unfortunately we can no longer accept cheque payments, the payment must be by EFT.**
- You will need to contact your HR/Payroll department if you would like to start paying regular AVCs, as these will be deducted from your monthly salary.