

Working after retirement: what you should consider

Are you interested in working beyond the regular retirement age? If so, it is worthwhile to consider various points. We have put together the most important information for you regarding AHV, pension funds and Pillar 3.

AHV: solidarity contributions from CHF 1,400 in income

You have two options: either you postpone receiving your AHV pension – by one to five years – and thus receive a slightly higher pension at a later date, or you receive an AHV pension despite your gainful employment.

If you earn more than CHF 1,400 a month or CHF 16,800 a year, AHV, IV and income replacement contributions will continue to be deducted from the portion of your salary exceeding that amount. However, AHV contributions are considered solidarity contributions and no longer affect the amount of your pension. Contributions to unemployment insurance no longer apply. If you work for several employers, the allowance of CHF 1,400 per month or CHF 16,800 per year applies to each of your jobs.

A ray of hope: as part of the AHV 21 reform, the Federal Council provides that contributions paid in after regular retirement age can be used to close any contribution gaps.

Pension fund: individual conditions depending on the retirement provision strategy

Depending on your pension fund, you can postpone receiving your pension from Pillar 2 until the age of 70. Clarify with your pension fund whether you can continue to pay in savings contributions. Otherwise, the postponement will not affect your retirement assets. However, postponing retirement can have a positive effect on the conversion rate: depending on the conditions of your pension fund, you may receive a higher pension at a later date.

Under certain circumstances, postponement can have tax advantages, since your earnings from gainful employment, AHV pension, plus your pension from the pension fund, must be taxed together as income. Please also note that if you postpone your pension from the pension fund, you may still have to pay insurance contributions for death and disability – even though IV pensions from Pillar 2 are only paid out up to age 64 (women) or 65 (men). The amount of the survivor benefits is generally based on your savings balance.

Pillar 3a: still tax-privileged

If you continue to be gainfully employed, you can keep using Pillar 3a for up to five years beyond regular retirement age. If you postpone your pension from the pension fund, you can continue to pay in the current maximum contribution CHF 7,056. If you are not affiliated with a pension fund, the contribution is limited to a maximum of 20% of your earnings from gainful employment. You can still deduct the payments from your taxable income. Please note that you must receive all your 3a pension fund assets no later than five years after reaching regular retirement age.



Do you have any questions?

You can contact the Help Point BVG (phone 0800 80 80 80) Monday to Friday from 8 a.m. to 6 p.m. with any questions about occupational pension plans.