

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

May 2019

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 2019 be applied to my pension?

A large volume of these cases have been processed for 2019 and the majority of those eligible will receive adjustments in their pension payment on 30 May 2019. These adjustments are shown as a positive figure across from “pension reduction” on the payslip.

Processing of the remainder of the adjustments is under way and regular updates on progress will be provided here on our website as required.

Example:

PSPR adjustment given at the same time.

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

Public Service Pension Reduction (PSPR) Changes from 2018 to 2019

Below is a summary table of PSPR changes from 2018 to 2019.

(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.)

| Public Service Pension Reduction (PSPR) Change from 2018 to 2019 | | | | |
|---|--|---|-----------|-----|
| 2018 | | 2019 | | |
| PSPR in 2018 (pre-March 2012 pensions) | | PSPR in 2019 (pre-March 2012 pensions) | | |
| Annualised amount of public service pension | Reduction | Annualised amount of public service pension | Reduction | |
| Up to €30,000 | Exempt | Up to €39,000 | Exempt | (a) |
| Any amount over €30,000 but not over €60,000 | 12% | Any amount over €39,000 but not over €60,000 | 12% | (b) |
| Any amount over €60,000 but not over €100,000 | 17% | Any amount over €60,000 but not over €100,000 | 17% | (c) |
| Any amount over €100,000 | 28% | Any amount over €100,000 | 28% | (d) |
| PSPR in 2018 (post-February 2012 pensions) | | PSPR in 2019 (post-February 2012 pensions) | | |
| Annualised amount of public service pension | Reduction | Annualised amount of public service pension | Reduction | |
| Up to €60,000 | Exempt | Up to €60,000 | Exempt | (e) |
| Any amount over €60,000 but not over €100,000 | 5% | Any amount over €60,000 but not over €100,000 | 3% | (f) |
| Any amount over €100,000 | 8% | Any amount over €100,000 | 8% | (g) |
| Pre-March 2012 changes from 2018 -2019 | | | | |
| (a) | The threshold increased from €30,000 (2018) to €39,000 (2019) public service pension where no PSPR | | | |
| (b) | The threshold increased from €30,000 to €39,000 in 2019 and the maximum limit remains at €60,000. | | | |
| (c) | This threshold remains the same. | | | |
| (d) | This threshold remains the same. | | | |
| Post-February 2012 changes from 2018 -2019 | | | | |
| (e) | This threshold remains the same. | | | |
| (f) | The reduction percentage has reduced. | | | |
| (g) | This reduction percentage remains the same. | | | |
| 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 | | | | |

Key Points

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