

Would you retrospectively pay into pillar 3a?

- In order to boost your personal pension plan, it should be possible to close any pension contribution gaps in pillar 3a by making retrospective payments. The Federal Council recently initiated a consultation process regarding this legislative amendment. But what do the Swiss think about this option? Generali Switzerland asked for their opinions.

Adliswil – Anyone who has paid less than the maximum amount into pillar 3a in the past should be able to retrospectively supplement their contributions covering a period of up to ten years. These retrospective payments would also be tax-deductible.

Generali addressed this topic in its latest survey by asking 354 people what they think about the option of retrospective payments and their opinion of private pensions in general.

The survey was conducted between 27 November and 1 December 2023. The sample was representative of the overall Swiss population.

Lukewarm response to possible legislative amendment

Only 30 percent of respondents would be interested in optimising their retirement provision by means of retrospective contributions. However, 44 percent regarded retrospective payments as an opportunity to pay less tax. Of the respondents, 17 percent said that they always contribute the maximum amount and would therefore be unable to benefit from this legislative amendment. One in seven is simply not convinced of the pillar 3a approach and therefore has no specific opinion about it.

Retirement provision gaining importance

People are generally preoccupied with the topic of retirement provision. For 86 percent, the topic is rather (46 percent) or extremely important (40 percent). For a third (32 percent), retirement planning has become even more important over the past year. 62 percent already pay into pillar 3a or 3b. The media and the people they associate with also play a role in the relevance of this topic: for example, at least 18 percent had read about pension poverty in media reports and a quarter of respondents also discuss this with the people around them.

Changes in behaviour and living standards

In the last two years, 16 percent of respondents have invested more in their private pensions. One in five has actively researched the topic. The same percentage of people will need to adapt their personal standard of living to a lower income after retirement. The latter is probably due to the fact that at least 42 percent said that they do not have the financial resources for their private pension. At the same time, a third of them said that they already have adequate pension cover.

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