

3.06 OASI benefits



Pension forecasts

Position as of 1st January 2015



A brief overview

A pension forecast tells you what sort of pensions you could expect to receive from the OASI and DI schemes. It shows what pension benefits are likely to be paid when you retire or if you become disabled and what pension benefits your family would receive in the event of your death.

Forecasts are based on your current personal circumstances (marital status, family members, etc.) and the legislation currently in force. If your personal circumstances or the legislation change, this may have a significant impact on your pension entitlement and the amount of any pension. A binding pension calculation can therefore only be made when an insured event – old age/disability/death – actually occurs.

Entitlement to a forecast

1 When can I request a forecast?

You can request a forecast at any time. A forecast may be useful in certain situations in life, such as when there has been a change in your employment status or family circumstances, or if you are planning to emigrate or take early retirement.

2 When is it a good idea to apply for a forecast?

If you still have many years to go before you reach retirement age, an old-age pension forecast will not tell you very much. In this case, you can arrive at your own estimate using the table in the appendix to leaflet 3.01 – *OAS/old-age pensions and helplessness allowances*.

Forecasting principles

3 What are the rules underpinning pension forecasts?

Pension forecasts are essentially based on the same rules as standard pension calculations.

4 What dates are pension forecasts based on?

Pension forecasts are based on the following dates:

- Survivors' and disability pensions are based on the date on which the forecast is requested;
- Old-age pensions are based on the applicant's retirement date.

5 Is the compensation office's forecast binding?

No, the forecast is not binding, as not all of the variables that affect your pension calculation will be known at the time when the forecast is produced. The compensation offices have to make certain assumptions and estimates:

- If you do not provide details of the future progression of your salary, the compensation office will take your most recent annual income and on this basis will make a projection up until your retirement date using tables on the general trend of salaries.
- If you live in Switzerland and do not mention any future plans to live abroad, it will be assumed that you will continue to be insured in Switzerland until you retire.

Factors involved in calculating your pension

6 What is the basis on which pensions are calculated?

Pension calculations are based on a combination of information provided by the applicant and information from his or her individual account. Before each forecast, the compensation office automatically obtains an account statement.

7 How is the amount of the pension calculated?

The amount of a pension depends on

- the number of qualifying years of contributions,
- the earnings on which contributions were paid and
- parental credits and care credits.

8 Under what circumstances will I receive a full pension?

You will receive a full pension (pension scale 44) if you have a full contribution record. If you have gaps in your contribution record, you will receive a partial pension.

9 How is the amount affected if I take my pension early or defer retirement?

If you take your old-age pension one or two years before reaching ordinary retirement age, the amount will be reduced.

If you defer your old-age pension by between one and a maximum of five years, the amount will be increased.

10 When is the division of income procedure applied?

A couple's earnings during the years of their marriage will be shared between them (splitting), with each spouse being credited with half of the income of the other spouse. This division of income is applied:

- as soon as both spouses draw an OASI or DI pension, or
- as soon as a widow or widower becomes entitled to an OASI or DI pension, or
- if the marriage is dissolved or annulled.

11 When will a married couple's individual pensions be reduced?

The sum of the two individual pensions received by a married couple must not exceed 150 % of the maximum pension. If this maximum amount is exceeded, the two individual pensions will be reduced accordingly (capped).

12 When are parental credits counted?

You may be awarded parental credits for the years when you had children under the age of 16. The level of the parental credit corresponds to three times the minimum annual pension. In the case of married couples, the credit is divided equally between the two spouses during the calendar years of their marriage. The average amount of parental credits is calculated by dividing the total amount credited by the total duration of the contributions.

In the case of divorced parents and parents who are not married to each other, but who exercise joint parental responsibility, either the whole parental credit will be awarded to one parent or half will be awarded to each parent, depending on the care given. More details can be found in leaflet *1.07 – Erziehungsgutschriften (Parental credits)*.

13 When are care credits counted?

You may be awarded care credits for years that you spent looking after relatives requiring care who are easily accessible and are entitled to an helplessness allowance on grounds of medium or severe incapacitation. There is no entitlement to care credits for years in which parental credits can be awarded. The level of the care credit corresponds to three times the minimum annual pension. In the case of married couples, the credit is divided equally between the two spouses during the calendar years of their marriage. The average amount of care credits is calculated by dividing the total amount credited by the total duration of the contributions. More details can be found in leaflet *1.03 – Betreuungsgutschriften (Care credits)*.

14 Where can I get more information?

Further information on how old-age, survivors' and disability pensions are calculated and on flexible retirement age rules can be found in the following leaflets:

- 3.01 – *OASI old-age pensions and helplessness allowances*
- 3.03 – *OASI survivors' pensions*
- 3.04 – *Flexible retirement*
- 4.04 – *Invalidenrenten und Hilflosenentschädigungen der IV (DI disability pensions and helplessness allowances)*

Procedure

15 Where can I apply for a pension forecast?

You can submit a written request for a pension forecast to your compensation office. You can obtain the appropriate *forms* from the compensation offices or their branches. Married couples are recommended to submit a joint request.

If you are not resident in Switzerland, you can download the form for a projected pension calculation from the Swiss Compensation Office SCO website: www.zas.admin.ch

16 Will the compensation office check the information I provide?

The compensation office will proceed on the basis of the information you provide and will not check whether it is correct.

17 What happens if the division of income (splitting) has not yet been applied after a couple gets divorced?

If the division of income following divorce has not yet been applied, the compensation office will start by initiating the splitting procedure. A pension forecast can only be produced once the couple's income has been split. It is therefore advisable for divorced couples to apply for the division of income as soon as possible after their divorce.

Cost

18 Is there any charge for pension forecasts for disability or survivors' pensions?

No, pension forecasts for disability or survivors' pensions are always free of charge.

19 Is there any charge for pension forecasts for the old-age pension?

Pension forecasts for an old-age pension are generally free of charge. However, a fee of up to 300 francs will be charged if

- the applicant is under 40, or
- the applicant requests multiple forecasts within a five-year period.

The fee is waived if there is a special reason for requesting a forecast (for example, separation, divorce, marriage, birth of a child, loss of job, becoming self-employed).

Enquiries and further information



This leaflet merely provides an overview. Individual cases can only be assessed conclusively on the basis of the relevant legislation. The compensation offices and their branches will be pleased to answer any enquiries. A list of all compensation offices can be found at www.ahv-iv.ch.

In this leaflet, the terms below describing a person's marital status also have the following meanings:

- Marriage: registered partnership
- Divorce: legal dissolution of a registered partnership
- Widowhood: death of a registered partner

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