



Have you lived in other countries besides the Netherlands?

Did you move to the Netherlands after your 15th birthday?
Then you need to find out how much Dutch old age pension ('AOW pension')
you will get, to avoid unexpected surprises.

Do you want to live abroad after you retire?
You may, but first you need to know about your entitlements. If you want
to read up on it, this booklet will help you on your way.

www.pensioenkiijker.nl

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Will I get a state pension?

Yes.

If you lived in the Netherlands before your 65th birthday, you will get a state pension. We call it AOW pension. You will receive pension payments starting in the month in which you turn 65. AOW pension payments are made at the end of each month. But there are a few points to remember:

- You only receive AOW pension at the full rate if you always lived in the Netherlands between your 15th and 65th birthdays
- If you moved to the Netherlands after you turned 15, your AOW pension will be reduced
- If you move away from the Netherlands before you turn 65, your AOW pension will also be reduced.

Every year you live in the Netherlands, you save up 2% of your future AOW pension. You will receive AOW pension at a rate of 100% if you always lived in the Netherlands between your 15th and 65th birthdays (50 * 2%). It makes no difference whether you are Dutch or a different nationality, or whether you worked or not.

You will not receive the full 100% in AOW pension if you moved to the Netherlands after turning 15. For every year that you did not live here, your AOW pension will be reduced by 2%.

Example

Yousef has lived in the Netherlands since he was 35. This means that he did not build up full entitlement to AOW pension: he missed out on 20 years of insurance. Instead of a full-rate AOW pension for a person who lives together with a partner, which would be around € 700 per month, he will receive a monthly pension that is reduced by 40% (20 * 2%), giving him a pension of € 420.

How do I claim my AOW pension?

If you are listed in the population register where you live in the Netherlands, you will receive a letter six months before your 65th birthday. This letter explains how you can claim your AOW pension from the Sociale Verzekeringsbank.

If you want to learn more about claiming an AOW pension, visit the site of the Sociale Verzekeringsbank: www.svb.nl. This site contains a lot of information on AOW pension.

How much AOW pension will I get?

AOW pension is not the same amount for everyone. The amount of your AOW pension depends on whether you live alone or together with a partner. There are two types of pension:

- **Pension for single persons**

This pension is around € 1000 gross. Holiday allowance is paid in May.

- **Pension for people living with a partner**

This pension is around € 700 gross. Holiday allowance is paid in May. After both you and your partner have turned 65, each of you will receive AOW pension for a person living with a partner. If your partner is under 65, you can find out more about your pension below.

The amount of AOW pension is adjusted every year. If you want to know exactly how much it is, visit the SVB website (www.svb.nl) or www.pensioenkiijker.nl (in Dutch).

Your AOW pension will change if you start living together with a partner or if you start living on your own. Any changes in your domestic situation must therefore be reported immediately to the Sociale Verzekeringsbank.

Important:

The pension amounts named in this booklet are those for full-rate AOW pensions. If you moved to the Netherlands later, or if you lived outside the Netherlands for a number of years, you will receive a lower amount in pension.

Learn more about this at the website of the Sociale Verzekeringsbank: www.svb.nl. Or download the brochure 'Wanneer krijgt u te maken met een korting op uw AOW' ('Will your Dutch state pension be reduced?') from the website of the Ministry of Social Affairs and Employment, (www.minszw.nl). This brochure contains information in several languages, including English. Another source of information is the E-Quality website: www.e-quality.nl (in Dutch).



How much AOW will I get if my partner is under 65?

Things are different if your partner is under 65. Many people simply assume that as a couple, they will receive a pension for married persons, but this is not the case. Your partner will not be paid AOW pension until he or she is 65. Until that time, you will be paid AOW pension at the rate for a person living with a partner.

Supplementary allowance to AOW pension paid until 2015

If your partner is not yet 65, it is possible that you will be paid a supplementary allowance to your AOW pension. Supplementary allowance will be discontinued for people who start receiving AOW pension on 1 January 2015 or later. If your AOW pension will commence in 2015 or later, you will not receive any supplementary allowance.

The amount of the supplementary allowance

The rate at which supplementary allowance is paid depends on your partner's income. The higher your partner's income from work, the lower the supplementary allowance. Part of your partner's income is deducted from the full supplementary allowance. If your partner earns more than around € 1,150 per month, you will not receive any supplementary allowance at all. If your partner has income relate to previous work, such as early retirement pension or incapacity benefit, this income will be deducted in full from the supplementary allowance.

Important:

The rate at which supplementary allowance is paid also depends on the number of years of insurance of your partner. The supplementary allowance will be reduced if your partner has not always lived in the Netherlands.

Example 1

Burak and Nuray are married. Nuray has no income. Burak moved to the Netherlands when he was 25 and Nuray when she was 28. In 2010, Burak will turn 65 and retire. Burak will receive an AOW pension plus a supplementary allowance. Because he was over 15 when he moved to the Netherlands, his AOW pension will be reduced by 20% (10 * 2%). The supplementary allowance will be reduced by 26% (13 * 2%). When Nuray turns 65, Burak will no longer receive supplementary allowance in addition to his AOW pension, but Nuray will receive her own partial AOW pension.

Example 2

Cyryl and Hanna live together. Hanna has no income. In 2012 Cyryl will turn 65 and retire; Hanna will then be 60. Cyryl came to the Netherlands when he was 40. Hanna has always lived in the Netherlands. Cyryl will receive an AOW pension for a person living together with a partner. His AOW pension will be reduced by 50% because he missed out on the first 25 years of AOW pension accrual. His supplementary allowance will not be reduced because Hanna has always lived in the Netherlands. When Hanna turns 65, she will receive a full AOW pension for a person living with a partner.

Can I purchase more AOW pension?

Yes, you can.

If you did not always live in the Netherlands between your 15th and 65th birthdays, your AOW pension will be reduced. There is something you can do about it:

- **You can purchase insurance for the missing years if you moved to the Netherlands after the age of 15**

If you moved to the Netherlands when you were 28, for example, you can purchase the 13 years of insurance you missed. However, you must buy all the missing years: you cannot buy only some of them. From the time when you moved to the Netherlands (and therefore became insured under the AOW), you have 5 years in which to buy the missing years. After these 5 years, the purchase option is no longer available.

- **You can take out voluntary insurance if you move away from the Netherlands before you turn 65**

You can do this for a maximum of 10 years. You must apply for voluntary insurance within one year after your compulsory insurance ends.

How much does it cost to purchase extra years of AOW insurance?

The contribution to purchase one year of AOW pension accrual is 17.9% of your income (up to a maximum income of around € 32,000). If you had little or no income in a particular year, you will owe contribution at a rate of 10% of the maximum contribution.

If you wish to purchase insurance for past years and you want to pay less than the maximum contribution, then for each individual year you must prove that your income was less than the income ceiling – for example, by submitting pay slips or tax returns from another country.

You can learn more about voluntary insurance at the website of the Sociale Verzekeringsbank: www.svb.nl.

Will I get a pension from my work?

Usually, yes.

Most companies in the Netherlands have a pension scheme. In a pension scheme, you build up entitlement to part of your pension each year. So the longer you participate in a pension scheme, the higher your pension.

You should bear in mind that the amount of your retirement pension is based on the assumption that you will receive AOW pension at the full rate. This is why your retirement pension is not based on your full salary: to calculate your pension, first a sum (called the deductible amount) is deducted from your salary.

Example

Emir earns € 25,000. His work has a pension scheme in which pension is accrued on the salary less the deductible amount of € 15,000. This means that the pension Emir builds up each year is based on earnings of € 10,000.

Important

Most pension schemes assume that you will receive a full-rate AOW pension. But if you do not receive a full-rate AOW pension because you lived or worked outside the Netherlands for a long time, your pension may not be enough for you to live on.

What should I do if my work does not have a pension scheme?

If your work does not have a pension scheme, it is a good idea to talk to your employer about it. If you are willing to pay part of the costs towards your pension, your employer may be willing to set up a pension scheme.

If your employer does not want to, you can save for your pension yourself through an insurance company, a bank or the life course savings scheme. To learn more about this, visit the website of Pensioenkijsker.nl (in Dutch).

What can I do if my pension will not be enough to live on?

If your pension will be too low

If you think that you will not have enough pension to live on, it is best to start saving as early as possible to make up for it. To find out if you will have enough pension, you need to take the following steps:

- Decide how much income you want to have after you retire
- Subtract the expenses you will have after retirement
- See what you will receive in the way of pension – state pension, pension from your employer or pension from another country
- See whether the pension you will receive is higher or lower than the income you will need

If your pension is really not enough to live on

It is possible that, when you retire, your pension will truly be too little to support yourself. This may be the case, for example, if you do not receive a full-rate AOW pension because you lived outside the Netherlands for a number of years, and you have very little or no other pension.

You can claim income support to supplement your income if your total income is less than the guaranteed minimum income. The guaranteed minimum income is the level to which everyone who lives or works in the Netherlands is entitled. You can claim income support from the local authorities in your place of residence. Income support supplements your income up to the amount of a full-rate AOW pension.

Important: You only qualify for income support if:

- You are unable to support yourself
- You have little or no income
- You have little or nothing in the way of assets
- You live in the Netherlands
- You spend no more than 13 weeks abroad each year.

Read more about this (in Dutch) at this website: www.rechttopalgemenebijstand.nl.

If I die, will my partner get a pension?

If you die, it is possible that your partner will receive a pension. This may be a state survivor benefit or a pension from your work.

State pension

Yes, if you die, your partner will receive a state survivor benefit if he or she lives in Netherlands and:

- is under 65 and
- cares for a child who is under 18, or
- is 45% or more incapacitated for work, or
- was born before 1 January 1950.

No, if you die, your partner will not receive a state survivor benefit if he or she:

- is over 65 and
- does not care for a child who is under 18, or
- is less than 45% incapacitated for work, or
- was born after 1 January 1950, or
- earns more than € 2,000 gross per month.

If your partner cares for one or more children, he or she will receive at least one benefit: the dependent child allowance. This allowance does not depend on your partner's income.

Important:

If your partner moves outside the Netherlands, he or she may stop receiving a survivor benefit. This depends on the country your partner chooses to live in after your death. The SVB website lists the countries in which your partner can continue to receive survivor benefit (www.svb.nl).

The benefit amounts

The benefits are adjusted each year. If you want to know the exact amount of the benefit, visit the website of the Sociale Verzekeringsbank: www.svb.nl. There you can also find more information about the benefit for your partner and your children if you die.



It is possible that your partner gets no state survivor benefit whatever if you die. But if your partner is over 65, he or she may be entitled to his or her own AOW pension.

Pension from your work

If your work has a pension plan, it usually includes a partner pension and an orphan's benefit. If you want to know for certain whether this applies in your case, you should check your pension regulations or your annual pension statement.

Important: if you live together without being married

Not all pension schemes include a pension for an unmarried partner. Or they set certain conditions for the partnership if your partner is to be eligible for partner pension. If you cannot find the answer, ask your pension administrator (pension fund or insurer).

Make sure that the partner pension is enough to live on

In most pension schemes, partner pension and orphan's benefit are based on your retirement pension. This means: on the retirement pension that you can accrue if you continue to work for the same employer until you retire. Partner pension is usually 70 % and orphan's benefit 14% of your retirement pension.

Although this sounds quite good, remember that the calculation of your retirement pension is based on the assumption that you will receive a full-rate AOW pension. This is why your retirement pension is not based on your full salary: to calculate your pension, first a sum (called the deductible amount) is deducted from your salary. So the deductible affects your partner pension and dependent child benefit as well.

Example

Faisal and Aylin are married. Faisal earns € 30,000. He has a pension scheme with a deductible amount of € 15,000. Each year he builds up 1.75% of his full pension based on the rest of his salary (€ 15,000). At most, Faisal will be able to accrue pension in this scheme for a total of 32 years. At most, he can accrue a retirement pension of € 8,400 ($32 * 1.75% * € 15,000$). The partner pension for Aylin is 70% of this: € 5,880.

The partner pension in this example is not very high. Perhaps Aylin will receive a state survivor benefit under the National Survivor Benefits Act (Anw) after Faisal's death. But this benefit will end when her youngest child turns 18. Then Aylin's income from the partner pension can really be too little to live on.

Pension from earlier jobs

If you have changed jobs, you may still be entitled to partner pension from a previous job. This will be noted on the most recent pension statement you received from your previous employer.

To learn more about the pension for your partner, go to Pensioenkijsker.nl and download the brochure 'Boekje open over partnerpensioen' ('Basic information on partner pension', in Dutch).

Can my foreign pension be paid in the Netherlands?

Yes.

If you have accrued pension in another country, it can usually be paid in the Netherlands. This certainly applies to pension you receive from another Member State of the European Union. In most cases you will need to pay tax in the Netherlands on that pension. How this works depends on the agreements made by the Dutch government with the country where you built up your pension.

Important: in some countries, you only accrue pension if you take part in the pension scheme for a minimum of 5 or 10 years. If you participated in a pension scheme for a shorter period, you will not have accrued any pension.



Can my Dutch pension be paid if I live in another country?

Yes, your Dutch pension can be paid if you live in another country. This is true of AOW pension and of your retirement pension from your work.

AOW pension and retirement pension

It is important to remember that in many countries (for example, the countries in the European Union, Turkey and Morocco) you can receive AOW pension for a single person and the supplementary allowance to your AOW pension without any restrictions. But in other countries – even if you qualify for a pension for a single person or for the supplementary allowance – you will only get AOW pension for a person living with a partner, which is lower. If you want to know how this works in the country where you wish to receive your pension, visit the website of the Sociale Verzekeringsbank: www.svb.nl. Your retirement pension from work can also be paid to you in another country. In this case, however, the pension administrator may make certain requirements of the bank account to which your pension is remitted. From time to time, this organisation will also ask you to submit proof that you are still alive.

Taxes

Generally speaking, you pay tax on your pension in your country of residence. But this depends on the agreements made by the Dutch government with the country where you built up your pension. If you accrued pension in the Netherlands while working for the government, you will always need to pay tax on that pension in the Netherlands.

Health insurance contributions

If you live abroad and receive a pension from the Netherlands, you may be obliged to pay health insurance contributions in the Netherlands. Learn more about this in the brochure: 'Boekje open over pensioen in het buitenland' ('Basic information on pension payments if you live abroad', in Dutch). You can download the brochure at Pensioenkijsker.nl.

For more information, go to Pensioenkijsker.nl, www.vertreknarhetbuitenland.overheid.nl or www.grensinfopunt.nl (all in Dutch).

If I die when living in another country, will my partner get a pension?

Perhaps.

State pension

As long as you live in the Netherlands, you are insured under the National Survivor Benefits Act (Anw) and your partner (under certain conditions) may be eligible for survivor benefit if you die. If you move away from the Netherlands, you are no longer covered by compulsory Anw insurance. In that case, if you die, your partner can only get a state survivor benefit if you take out voluntary Anw insurance after you move away from the Netherlands. Moreover, your partner must meet the conditions for eligibility for Anw survivor benefit.

You can apply for voluntary insurance within one year after your compulsory insurance ends. Download the application form from the SVB's website: www.svb.nl.

Important:

Anw survivor benefit is not paid in all countries. Before you decide to take out voluntary insurance, make sure that it is paid in the country where you are going to live.

Pension from your work

When you retire from your job in the Netherlands, you will receive a pension statement showing whether your retirement pension includes a partner pension. If it does, then if you die, your partner can also receive partner pension while living outside the Netherlands.

To learn more about pension:

- Visit www.pensioenkijsker.nl for general information about pension (in Dutch)

This booklet provides basic information about pension for people who have not always lived in the Netherlands. At Pensioenkijsker.nl you can also find booklets on other topics.

The following booklets have been published in the series “Basic information on”:

- Basic information on your AOW pension
- Basic information on partner pension
- Basic information on your first job and your pension
- Basic information on a new job, a different pension plan
- Basic information on self-employment and pension
- Basic information on divorce
- Basic information on administering a pension fund
- Basic information on the participants’ council
- Basic information on women and pension
- Basic information on pension payments if you live abroad

More booklets are planned. When they are published, you can find them at Pensioenkijsker.nl.

The following organisations take part in Stichting Pensioenkijsker.nl: CNV, CNV Jongeren, Consumentenbond, CSO, E-Quality, FNV, FNV Vrouwenbond, MHP, MKB-Nederland, NBVA, Nibud, Ombudsman Pensioenen, Sociale Verzekeringsbank, SPO Pensioenopleidingen, Stichting de Ombudsman, Stichting voor Ondernemingspensioenfondsen, Unie van Beroepspensioenfondsen, Verbond van Verzekeraars, Vereniging van Bedrijfstakpensioenfondsen and VNO-NCW.

Stichting Pensioenkijsker.nl wants people in the Netherlands to give some thought to planning their pension. We present it in a way that is easy to understand. We also provide objective information on pension.

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