

We have some news regarding your pension



As is usual, on January 1, 2020, legal amendments will be implemented that will impact deductions on the pension benefit. This means that the net pension benefit will differ from the amount paid out by SPF in December 2019. This newsletter explains the biggest changes.

January 2020: changes to the net pension benefit

The net pension benefit will change for the majority of pensioners as of January 2020.

➤ Tax brackets

Are you still to reach state retirement age (AOW)?

From January 1, 2020, there will be two tax brackets that apply to you.

- Taxpayers with an income up to and including €68,507 pay a tax rate of 37.35%.
- If you have a higher income, you pay a tax rate of 49.50% on the part above €68,507.

Did you reach state retirement age (AOW) before 2020?

From January 1, 2020, there will be three income-related tax brackets that apply to you.

- Taxpayers with an income up to and including €34,712 pay a tax rate of 19.45%*.
- If you have income over €34,712 but no more than €68,507, you pay the 19.45% tax rate on your income up to and including €34,712 and the 37.35% tax rate on the part up to and including €68,507.
- The tax rate is 49.50% on your income above €68,507.

The table shows the difference between the tax brackets in 2019 and 2020:

	On income up to €20,711	On income that is more than €20,711 and max. €34,712*	On income that is more than €34,712* and max. €68,507	On income above €68,507
2019	18.75%	20.20%	38.10%	51.75%
2020	19.45%	19.45%	37.35%	49.50%

* if you were born before January 1, 1946 (i.e. if you are older than 74), this amount is €35,375

- Changes to the *Zorgverzekeringswet* (Zvw, Healthcare Insurance Act) income-related contributions. The Zvw statutory contribution will fall to 5.45% in 2020 (2019 level: 5.70%). SPF is legally obliged to withhold this amount on annual income of max. €57,232 (2019 level: €55,927).

These are Government decisions on which the pension fund has no influence. You can find more information on this topic on the Belastingdienst (Dutch Tax and Customs Administration) website: (www.Belastingdienst.nl).

If you do not live in the Netherlands

On January 1, 2020, the calculation of tax on wages changed. If you do **not** live in the Netherlands, tax credits take a smaller amount into account. Tax credits are credits against your tax on wages and income taxes. As a result of the reduced tax credits, you will pay more in tax on wages. This means that your pension fund will pay out a reduced pension benefit. Your payment statement details what this means for you. The wage income tax table that you fall within depends on the country in which you live. You do not need to take any action. This will be processed automatically.

For more information, please refer to www.belastingdienst.nl/internationaal.

The fiscal annual statement



The fiscal annual statement of the pensions paid by SPF in 2019 will be sent to both physical and digital addresses **by the end of February at the latest**. The fiscal annual statement is required to file your tax returns over 2019. We advise you to carefully compare the annual statement provided by SPF with data already filled in on your tax returns.

Good to know: Additional income tax assessment



By opting to let SPF withhold more tax and social insurance contributions on a monthly basis, you can prevent an additional income tax assessment. SPF cannot calculate the adjustment you must make to your tax and social insurance contributions for this purpose. You must personally, or with the assistance of a financial advisor, calculate the adjustment and specify this to SPF, by letter.

2020 payment dates

January 27
February 27
March 27
April 24
May 27
June 26
July 27
August 27
September 25
October 27
November 27
December 21

SPF will ensure that your pension will be deposited on your account on the 27th day of each month. Should the 27th fall on a weekend day, SPF will ensure that your pension is deposited before then. In December you will receive your pension also earlier.



Contact

For questions about your pension, you can consult our pension department:

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