

# Looking for a pension that helps you save? *hogarenteplus* is the answer!

My car, my mobile phone, my next holiday and my *hogarenteplus*. Pensions really can be that straightforward and you don't have to worry about giving anything up.

Talking of giving things up, many people find that their statutory pension insurance scheme allowance simply isn't enough for them to keep enjoying the standard of living to which they've become accustomed. And that's why pension savings are more important than they've ever been.

## **hogarenteplus – simply contribute some of your wages.**

Make the most of this incredible opportunity and choose to put away a proportion of your wages before tax and other deductions in a *hogarenteplus* account (deferred compensation). The sooner you start, the more your *hogarenteplus* account can earn you! And there are plenty of other brilliant benefits.

## **That's what you call a clever system! An overview of the benefits on offer.**

### **Benefit 1: Employer contribution**

This makes the scheme really worthwhile. Your employer will contribute a fixed annual sum of EUR 240 (pro rata for parttime workers) to your *hogarenteplus* account. This forms the basis of your pension savings. And you don't have to worry about doing a thing. On top of that, your employer will also reward you with an extra contribution of 16 % if you choose to put away a proportion of your wages. Say you arrange a deferred compensation of EUR 600 per year, you'll receive an extra EUR 96.

### **Benefit 2: Flexible arrangement**

It's down to you to decide exactly how much your *hogarenteplus* account is worth. You are free to choose the amount you contribute to *hogarenteplus* – provided you put away at least EUR 10 each month. If your circumstances change at any point, you can adjust your deferred compensation accordingly. Increase or decrease your contributions as you see fit depending on what's going on in your life.

### **Benefit 3: Comprehensive guarantees**

*hogarenteplus* offers attractive benefits and security thanks to comprehensive guarantees:

- A lifelong pension
- Benefits paid out to surviving dependants if you die
- High guaranteed retirement factors as the basis for calculating your pension
- A minimum benefit of 90% of the contributions you have paid in as the absolute lower limit
- A guarantee plan to automatically safeguard earnings

### **Benefit 4: Full flexibility**

If your circumstances change – say if you become a parent or fall ill – you are free to change the amount you contribute or even take a payment holiday. Your *hogarenteplus* account is all yours, so you can adapt it in line with whatever life throws at you. This even applies if your employer changes, as

you can easily take your *hogarenteplus* account with you when you leave your current job.

### **Benefit 5: Survivor benefits**

You can even rest assured that your loved ones will be taken care of when you're gone. If you die before your pension payments have started or once you've started to receive them, your loved ones will be eligible for survivor benefits from your *hogarenteplus* account.

### **Benefit 6: Government incentive**

If you choose to pay a proportion of your wages into your *hogarenteplus* account, you will save on taxes and social security contributions. That means your *hogarenteplus* account ends up costing even less than you first thought!



**Run your own calculations here:**

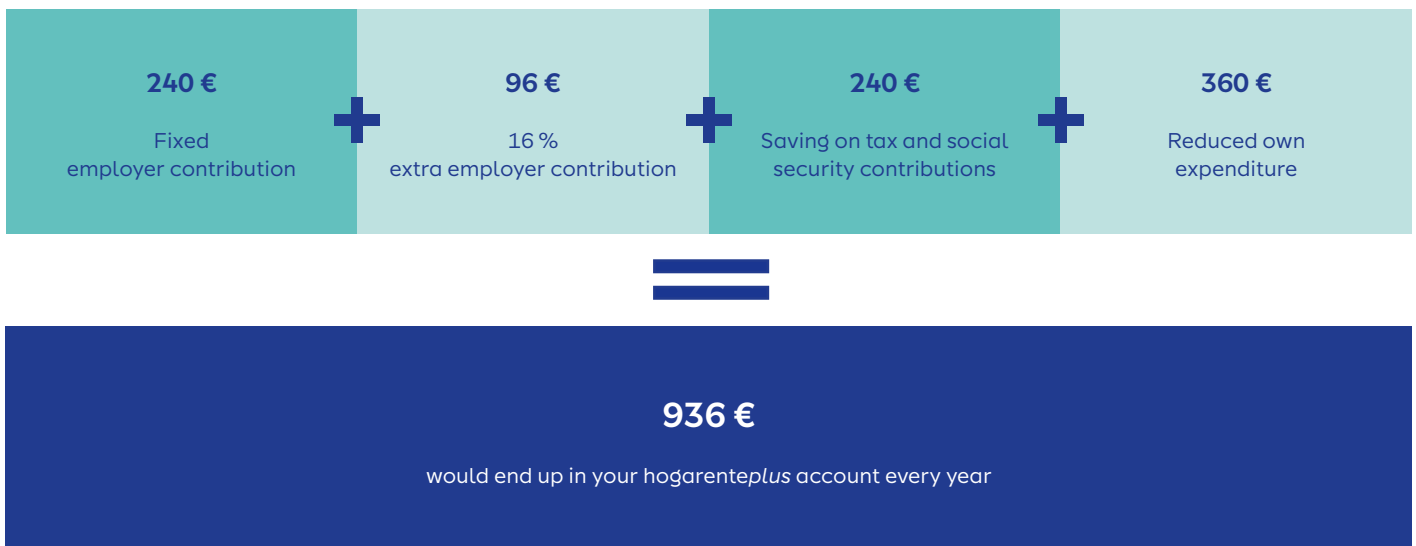
<https://bavinfo.net/hogarenteplus>



## Deferred compensation is so worthwhile – here's how it works!

Example: Full-time employee, aged 30, Tax Class I, no children	Without deferred compensation	With deferred compensation
Monthly gross income	2,200 €	2,200 €
Personal contribution to <i>hogarenteplus</i>		- 50 €
Extra employer contribution of 16%		8 €
Fixed employer contribution		20 €
Gross income to be taxed	2,200 €	2,150 €
Personal income tax (including solidarity surcharge)	- 168 €	- 158 €
Social security contributions	- 440 €	- 430 €
Net monthly income (payment)	= 1,592 €	= 1,562 €
<b>Reduced own expenditure given deferred compensation of 50 €</b>	-	<b>30 €</b>
<b>Saving on tax and social security contributions thanks to deferred compensation</b>	-	<b>20 €</b>

Who says that pensions have to cost you a fortune? All in all, you actually end up making a huge saving. That's because your tax and social security contributions are cut with every payment. And those savings go straight into your *hogarenteplus* account. Take a look at the annual amount that would end up in *hogarenteplus* in this example:



**Own annual expenditure of just 360 €**

### Benefit 7: Reduced deductions during retirement thanks to allowances

When you finally start receiving your pension, you may find that you have to pay tax and social security contributions on it. The good news is that the amounts tend to be much lower than when you're working. We would expect you to be paying less tax – or maybe even no tax at all – on the pension you draw from your *hogarenteplus* account.

As far as statutory health and long-term care insurance is concerned, you can benefit from an allowance and exemption.

Provided that your monthly pension doesn't exceed 169,75 € (figure for 2023), you won't be expected to make any contributions.

### Find out more!

Head to [www.hogarenteplus.de](http://www.hogarenteplus.de) to access an information pack for employees. Please don't hesitate to get in touch with our hoga service team if you have any questions at all.