

Department of Defence
An Roinn Cosanta



Information for
Defence Forces Pensioners

Issued by
Pensions Section, Department of Defence,
Áras an tSáile, Renmore, Galway.
Tel. (091) 743700
Lo Call 1890 426 444

DEFENCE FORCES PENSIONERS

This booklet gives a brief outline of issues related to the payment of your pension and has been produced primarily as a result of customer feedback which revealed a need for this information. The booklet also covers a range of other issues including the Tax Credit system, PRSI, Social Welfare Information and Contact Information.

Please retain for future reference.

Department of Defence
Pensions Section
Áras an tSáile
Renmore
Galway

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This booklet is a guide only and does not purport to be a legal interpretation.

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GENERAL POINTS TO BE NOTED BY DEPARTMENT OF DEFENCE PENSIONERS

- 1890 426 444 is the LoCall phone number for the Pensions Section of the Department of Defence. This means you can contact us for the cost of a local call. When contacting the Pensions Section, please quote your Payroll Number. This can be found at the centre of your payslip.
- Our Pensions Section is open to the public Monday to Friday from 9.15 am to 5.30 pm (5.15 pm on Friday). It is located in Áras an tSáile, Renmore, Galway.
- It is the policy of the Department of Defence to provide a courteous, prompt and efficient service. If we cannot provide an immediate response to your query we will call you back at a time that suits you.
- Pensions are normally increased in line with movements in the pay of serving personnel holding corresponding rank. We will make every effort to pass on the benefit of such increases as quickly as possible.
- Pensions for the full calendar month are paid on the 20th of the month.
- If you receive a Pension Declaration form, please complete and return it promptly. This is an important check on the continuing entitlement to a pension which the Department is obliged to conduct. Failure to complete the Declaration within a reasonable period of time may lead to suspension of payment of the pension.
- It is important that the Pensions Section is notified of the death of a person to whom it is paying a pension. The entitlement to that pension ceases on the death of the pensioner, but the pensioner's spouse/children may be entitled to a pension in their own right. We are aware of how difficult the period of bereavement can be and we will provide all the necessary information and will make the required arrangements with courtesy and sympathy.

- For recent developments concerning the Defence Forces and the Department of Defence, there are two websites which may be of interest to you.

The addresses are : www.defence.ie
 www.military.ie

Also, you can subscribe to An Cosantóir magazine which is available to all serving & retired personnel. Details can be obtained from: An Cosantóir

Defence Forces HQ
Parkgate
Infirmary Road
Dublin 8
Tel. (01) 8042696

CHANGE OF CIRCUMSTANCES - WHEN TO NOTIFY THE DEPARTMENT OF DEFENCE

Our aim is to provide you with an excellent service. To help us to achieve this aim, please ensure that we are notified as soon as possible of any changes in circumstances which may affect your pension. These include the following:

- You change address.
- You wish to change the way in which your pension is paid (e.g. change from cheque to direct lodgement).
- Any person for whom payment is included in your pension dies or permanently moves abroad.
- Any person for whom payment is included in your pension ceases to live with or be supported by you.
- A dependent child aged between 16 and 22 years ceases full-time education.

- You are in receipt of an additional increment (applicable to NCOs & Privates with more than 21 years service only) and have been awarded a Retirement Pension from the Department of Social and Family Affairs.
- You are in receipt of a widow's pension/allowance and remarry or cohabit.
- You are no longer able to look after your own affairs and wish to nominate someone to act on your behalf.
- You are a Medical Card Holder or in receipt of a Social Welfare Widow(er)'s Pension, One-Parent Family Payment, Deserted Wife's Benefit or a social security widow(er)'s pension from another EU country AND currently paying the 2% Health Contribution (PRSI) on your pension.

YOU CAN HAVE YOUR PENSION PAID DIRECTLY TO YOUR FINANCIAL INSTITUTION

If you wish to have your pension lodged directly with a bank or other financial institution, you can obtain an application form by contacting the Pensions Section.

We strongly recommend this method of payment which offers the following advantages:

- The assurance that your pension payment will be lodged directly to your account on the due payment date.
- No queuing in the bank to have your cheque cashed or lodged.
- A more secure method of pension payment for you.
- No need to get a replacement for a cheque that has been lost, stolen, destroyed, not received or run out of date.
- You will still receive a pension payslip, on the 20th of each month, containing all your pension details, directly to your home address.

RESTRICTIONS ON CASHING CHEQUES DO NOT APPLY TO PENSION CHEQUES

Both Bank of Ireland and Allied Irish Banks have tightened up procedures for cashing cheques and now, in general, require that crossed cheques are lodged to an account. Both Banks have however agreed to continue to cash pension cheques. In the case of Bank of Ireland, if you wish to cash your pension cheque, you should show the cashier the statement (pension payroll) on the front of the cheque which indicates that the payment relates to a pension. The Bank has agreed to continue to cash cheques bearing that statement, subject to the normal conditions about identity.

Please remember that there are advantages to having your pension paid directly into your bank account and this is now easy to arrange, as explained above.

THE TAX SYSTEM

The Minister for Finance in his Budget 2001 Financial Statement introduced a tax credit system with effect from 6 April 2001 to replace the tax free allowance system. The tax year was also changed to a calendar tax year.

Summary information on aspects of these changes is given below. If you require further information, please contact your Inspector of Taxes or the Revenue Commissioners at 01-8780000.

TAX CREDITS

Tax credits replaced tax-free allowances with effect from 6 April 2001. Under the tax credit system, an individual is entitled to tax credits depending on personal circumstances, e.g. married person's tax credit, single person's tax credit, etc. These credits reduce a person's tax liability, which is calculated on gross pay.

STANDARD RATE BAND

This is the income limit beyond which a taxpayer ceases to pay tax at the standard rate (currently 20%), and begins paying tax at the higher rate (currently 42%). The standard rate cut-off point differs according to personal circumstances, e.g. single, married, one parent family.

TAX CREDIT CERTIFICATES

Each year you receive from your Inspector of Taxes a Notice of Determination of Tax Credits and Standard Rate Cut-Off Point showing your entitlement to tax credit and the cut-off point for the tax year and the monthly equivalents.

The Revenue Commissioners also provide this information to the Department of Defence.

MEDICAL INSURANCE & MORTGAGE TAX RELIEF

Tax relief for medical insurance contributions and mortgage interest is now granted at source and the amount you pay in insurance premiums or mortgage repayments is reduced appropriately.

TAX CALCULATION

Tax on your monthly gross pension (except disability pensions which are exempt from tax) is calculated as follows:

- The standard rate of tax (20%) is applied to gross pension up to the standard rate cut-off point for that month.
- Any balance of pension over that amount in that month is taxed at the higher rate of tax (42%).
- The gross tax is reduced by the tax credit to arrive at the net tax payable.

QUERIES IN RELATION TO TAX - ISSUE OF TAX CREDIT CERTIFICATES

If you have any queries in relation to your Tax Credits and Cut-Off Point, you should address them to your Inspector of Taxes. For convenience, please have your Personal Public Service Number (PPS No.) available when you call. The relevant Tax Office in the case of Defence Forces Pensioners is:

Office of the Inspector of Taxes,
Units 975 to 978,
PAYE 4,
Division 98,
14/15 Upper O'Connell St.,
Dublin 1.

(Tel: 1890 60 50 90 (Local Rates) or 01-8746821

Fax: 01 8786389).

MEDICAL CARD INCOME GUIDELINES

The general income guidelines for the issue of medical cards are available from your Health Board or local Community Welfare Officer.

From 1 July 2001, all persons aged 70 and over are entitled to a medical card, regardless of income.

Any queries about medical cards should be made to your Health Board or local Community Welfare Officer.

PRSI & HEALTH CONTRIBUTION

Defence Forces pensions are not subject to the social insurance element of PRSI but are liable to the Health Contribution. The Health Contribution, at the standard Class K1 rate of 2%, is payable on all income where reckonable earnings exceed a specified threshold, currently €1,543 monthly. However, this is not payable if the pensioner is over 70, holds a medical card from a Health Board, or is in receipt of a Widow(er)'s Pension, One-Parent Family Payment, Deserted Wife's Benefit from the Department of Social and Family Affairs (or a social security widow(er)'s pension from another EU country).

If you are a medical card holder or in receipt of any of the above payments please notify the Pensions Section so that we can make the necessary arrangements.

Applications for refund of Health Contribution paid by Medical Card Holders in respect of previous years should be addressed to:

PRSI Refunds
Collector General
Sarsfield House
Francis Street
Limerick
Telephone - Limerick : (061) 310310
Dublin : (01) 6774211

For further information on these free schemes, you may contact:

Free Schemes
Pension Services Office
Department of Social & Family Affairs
College Road
Sligo
Telephone - Sligo :(071) 48371/69800
 Dublin :(01) 8748444

LIVING ALONE ALLOWANCE

To qualify for the Living Alone Allowance, you must live alone and be aged 66 or over and be in receipt of a pension from the Department of Social and Family Affairs. Since April 2001, the allowance is extended to persons under age 66 who live alone and who are in receipt of Invalidity Pension, Disability Allowance, Unemployability Supplement or Blind Person's Pension.

CONTACTING US

If you have any queries in relation to any of the topics discussed in this booklet or any matter relating to your pension, you may contact Pensions Payments Section, Department of Defence at the following main telephone numbers and extensions:

From within (091) area - dial 743700 and ask for extension.

From within the Republic of Ireland - dial LoCall 1890 426444 and ask for extension (local rates apply).

From outside the Republic of Ireland - dial 353 91 743700 and ask for extension.

Nature of query	Name	Extn. No.
Officers' Service & Disability Pensions and Service Pensions for Spouses & Children of Officers.	Miriam Somers Martina Collins Patricia Ryan	3835 3837 3929
NCOs' & Privates' Service and Disability Pensions and Service Pensions for Spouses & Children of NCOs & Privates	Mairead Boyce Andrew Ahern Karen Murphy Bridie Cafferky Siobhan Kenny Bernie Spellman	3833 3831 3832 3826 3828 3830
Tax, PRSI, VHI, ONE	Catherine Browne	3825

We can also be contacted by e-mail at

pensions.payments@defence.irlgov.ie and by fax at (091) 770233.

USEFUL INFORMATION / ADDRESSES / ORGANISATIONS

Employer's Registered Number: 4000064L

VHI Group Scheme Number : 25-5828

INSPECTOR OF TAXES

Office of the Inspector of Taxes
Units 975 to 978
PAYE 4
Division 98
14/15 Upper O'Connell St.
Dublin 1.
1890 60 50 90

DEPARTMENT OF SOCIAL AND FAMILY AFFAIRS

Correspondence Section
College Road
Sligo
Retirement Pension (071) 69800
Widow(er)'s Pension (071) 69800

BEREAVEMENT GRANT SECTION

Social Welfare Services Office
Government Buildings
Ballinalee Road,
Longford
(043) 45211
(01) 8748444

CAFNBO/GANBO

Defence Forces HQ
Parkgate
Infirmary Road
Dublin 7
(01) 8042780

VHI

VHI House
12 Fitzwilliam Square
Lower Abbey Street
Dublin 1
1850 444 444
(091) 566054
Contact: Maureen Conneely

PRSI REFUNDS

Collector General
Sarsfield House
Francis Street
Limerick
(061) 310310
(01) 6774211

BIRTHS, DEATHS & MARRIAGES

General Registrar's Office
Joyce House
8-11 Lombard Street
Dublin 2
(01) 6354000

CAOGA

Defence Force HQ
Parkgate
Infirmary Road
Dublin 7
(01) 8042785/6