Mercer | workday.

wherever you retire,

retire well

The Workday Limited Master Trust Pension Plan
(“Workday Irish Pension Plan”)

Re-locating to India: What happens to my pension?

If at some stage in the future you plan to relocate to India to work or retire, participating in the Workday Irish Pension Plan while you are working in Ireland can provide you with valuable benefits for your retirement.

Even if you don’t plan to stay in Ireland in the future, we recommend you take time to understand the retirement saving supports available from Workday and consider participating in the Workday Irish Pension Plan.

You will have the options set out below (and potentially some others) in relation to your Irish pension benefits should you move to India. We always recommend that Plan members seek independent financial advice before making any decisions.

Option A: Your pension benefit can be paid to you from the Workday Irish Pension Plan

If you are resident in India, your pension benefits can simply be paid to you from Ireland in the same way as to an Irish resident.

Our understanding of the current tax treaties between Ireland and India is that tax may be applied to your pension benefits in India only, and not taxed at source in Ireland. Please note that Mercer does not provide tax advice and you are strongly advised to seek your own personal tax advice in this regard.

Option B: You could transfer your Workday Irish pension to India before you reach retirement and draw it down in India when you retire

If you are employed in India, you have the option to transfer your benefits from the Workday Irish Pension Plan to a pension arrangement in India subject to satisfying certain regulatory requirements. In order to do this, you would be required to provide and / or complete certain documentation (translated if applicable) in relation to the Indian pension plan into which you wish to transfer your Workday benefits. The main confirmations requested in most cases are that:

- You are employed in India and a member of the pension arrangement to which the transfer is requested
- The pension arrangement you wish to transfer to is regulated and approved by the appropriate authority in India
- The Trustees / pension provider is capable of and willing to accept the transfer value
- The pension arrangement you wish to transfer into provides bona fide relevant retirement benefits and does not provide benefits that would not be allowed in Ireland (e.g. payment before age 50, more than a certain proportion of the fund payable as a lump sum on retirement, early surrender, etc).

You will also be asked to confirm that the transfer is for genuine reasons and not for the purpose of circumventing Irish pension tax rules, and that the transfer meets the requirements of Irish Regulations and satisfies Irish Revenue’s transfer rules, by completing a separate Revenue declaration. The transfer will also need to comply with any requirements of the Indian pension arrangement receiving the transfer and the Indian authorities. You will also need to provide copies of the terms and conditions of the pension arrangement you wish to transfer to.

IMPORTANT: The document does not apply to anyone temporarily seconded to Ireland, or another country, and who remains employed under a contract in their original country.

The information in this document is intended to be a guide only and is not a definitive statement of law and practice in this area nor does it (nor is it intended to) create any additional legal entitlements to rights or benefits other than are as set out in your terms and conditions of employment and/or under the rules of the Workday Limited Master Trust Pension Plan. The details included here are relevant at the date of publication and can change in the future as legislation or other aspects change. The relevant legislation at the time of an overseas transfer would be applicable.

The content in this newsletter is correct as at the date of issue, October 2024.

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