Profelia.
Fondation de prévoyance
Vorsorgestiftung

Explanations relating to voluntary purchases

Important information

Voluntary purchases are tax deductible in principle. However, we recommend that you consult your tax office to check if your personal tax situation permits these deductions. Profelia doesn't assume any responsibility in this regard and cannot be held liable for the reimbursement of a purchase amount if the tax authorities do not allow it to be deducted.

When a voluntary purchase has been made to a pension fund, the amount of the purchase, including interest, may not be withdrawn as a lump sum in the first three years following the purchase. Moreover, if any benefit is paid out as a lump sum within the same three-year period, the tax authorities may disallow deduction of the purchase, even a posteriori.

These restrictions apply to withdrawal payments for encouragement of home ownership, cash payment (departure abroad or self-employed status) and lump sum payment of retirement benefits.

In order for the purchase to be taken into account for the current fiscal year, the payment must reach Profelia no later than the last working day of the year.

Explanations relating to the form "Voluntary purchase to the Pension Fund"

1. Vested benefits accounts and policies

In the event of a change of employment, the vested benefits of the former pension fund and any 2nd pillar pension savings held with vested benefits institutions must be transferred to the new employer's pension fund.

These vested benefits are taken into account when calculating the purchase, even if they have not been transferred from the previous vested benefits institution. They are deducted from the initial purchase possibilities.

2. Other assets (3rd pillar A)

If you have been self-employed and paid contributions to 3rd pillar A instead of the 2nd pillar during this period, a portion of this 3rd pillar A credit is deducted from the purchase possibilities. As a reminder, the 3rd pillar A (individual pension scheme) is a voluntary savings account with an insurance company or a bank, contributions to which are tax deductible.

3. Arrival from a foreign country

- Without having been affiliated to a Swiss pension fund beforehand.

  If you arrive from abroad and you insure yourself with a Swiss pension fund (2nd pillar) for the first time, the amount of the annual voluntary purchase during the first 5 years following your affiliation is limited to 20 % of your annual insured salary, in accordance with the regulations.

- Having already been affiliated to a Swiss pension fund beforehand.

  If you arrive from abroad and had already been affiliated to a Swiss pension fund (2nd pillar), the 20 % limit does not apply.

4. Withdrawal to encourage home ownership

If you have received withdrawals of your 2nd pillar retirement benefits in the context of encouragement of home ownership, you can only make voluntary purchases once these withdrawals have been fully reimbursed. If you have reached the legal retirement age, this restriction does not apply.

All withdrawals from 2nd pillar that have not yet been reimbursed are taken into account, whether you received them from us or from other pension funds. Withdrawals from 3rd pillar A are not concerned.

5. Retirement benefits received (annuity or lump sum)

If you returned to gainful employment after taking early retirement you received or still receive 2nd pillar retirement benefits (annuity or lump sum) from any pension fund or vested benefits institution, the savings account you had at the time of early retirement must be taken into account to calculate the purchase possibilities.

Further information is available in the pension fund regulations published on our website.