



## Pensions update: Finance Bill 2024

---

12 November 2024

Ahead of the dissolution of the thirty-third Dáil, the Finance Bill 2024 (the 'Bill') was passed on 5 November. The Bill implements the taxation changes announced on Budget Day as well as introducing several new provisions not announced on Budget Day.

A significant new measure related to pensions is that the Bill introduces a limit on the value of employer's contributions to both PRSAs and PEPPs. The effect of the amendment is that any employer contribution which is greater than the 'employer limit' will trigger tax liabilities for the employee concerned. The 'employer limit' is the value of an employee's annual emoluments from that employer. Therefore, the portion of an employer contribution which is greater than an employee's salary in a particular year will be subject to tax as income of the employee.

This provision will take effect from 1 January 2025. Therefore, the final date for uncapped employer contributions to a PRSA or PEPP is 31 December 2024.

As per our briefing on the de Buitléir report, which is available [here](#), the Bill introduces the phased incremental increases to the Standard Fund Threshold announced by the Minister previously.

The Bill also introduces enabling provisions for Auto-Enrolment which is scheduled to commence on 30 September 2025. Read our latest AE update [here](#).