



Pensioners and Savings

Means testing for pensioners

If you do not qualify for a contributory pension, you may qualify for a non-contributory pension based on your means.

The main non-contributory pensions are:

- Blind Pension,
- Widow's, Widower's or Surviving Civil Partner's Non-Contributory Pension, and
- State Pension (Non-Contributory), paid from age 66.

How do you assess capital?

When assessing your means from capital we add together the following items that you and your spouse or civil partner have:

- the cash value of investments and property (except your own home),
- money in an account in a financial institution, and
- cash in hand.

When we assess your means we do not take into account interest you earn on money held in an account in a financial institution. Instead we apply the formula to the actual amount of capital you have.

If you are married, in a civil partnership or cohabiting, we will assess you with half of the combined capital held by both of you

The following formula is then used to calculate your weekly means:

Capital Range	Weekly Means
First €20,000	Nil
€20,000 - €30,000	€1 per €1,000
€30,000 - €40,000	€2 per €1,000
Over €40,000	€4 per €1,000

Examples

Example 1

John (66) is single and applies for State Pension (Non-Contributory). He has no income apart from interest he gets from savings of €36,890.

Savings are assessed as follows:		Weekly means
First	€20,000	Nil
Next	€10,000 (€1 per €1,000)	€10.00
Next	€ 6,000 (€2 per €1,000)	€12.00
Balance	€ 890 (not assessed*)	
Total	€36,890	
Total weekly means		€22.00

*We do not assess any remaining amounts of less than €1,000.

Example 2

Peter (aged 66) and Mary (aged 60) are a couple. Peter applies for State Pension (Non-Contributory). He has savings of €52,600 and Mary has savings of €37,200. They have no other source of income.

We add their savings as follows:

	Savings
Peter	€52,600
Mary	€37,200
Combined Total	€89,800
Half Combined Total	€44,900

Peter's means will be based on half the combined savings of himself and Mary.

€44,900 is assessed as follows:		Weekly means
First	€20,000	Nil
Next	€10,000 (€1 per €1,000)	€10.00
Next	€10,000 (€2 per €1,000)	€20.00
Next	€ 4,000 (€4 per €1,000)	€16.00
Balance	€ 900 (not assessed*)	
Total	€44,900	
Peter's weekly means		€46.00

*We do not assess any remaining amounts of less than €1,000.

- Log on to www.welfare.ie.
- LoCall Information Line **1890 66 22 44** (from the Republic of Ireland only) or **+353 71 91 933313** (from Northern Ireland or overseas).
- Drop in to your local Social Welfare Office or Citizens Information Centre.

Are compensation payments assessed as means?

The following type of payments are not assessed as means:

- Hepatitis C or HIV from the use of Human Immunoglobulin Anti-D,
- whole blood or other blood products in certain circumstances.

Other compensation payments are disregarded from the means test are those:

- awarded by the Residential Institutions Redress Board established under section 3 of the Residential Institutions Redress Act 2002 (No 13 of 2002), or
- made to people with disabilities caused by Thalidomide.

What happens if I save part of my pension?

If you qualify for a non-contributory pension, the rate of pension you receive will be set at a level that should enable you to have an adequate standard of living. We would expect you to spend all or most of your pension each week in meeting your normal day-to-day living expenses. However, if you choose to save part of your weekly payment, these savings will be means tested as capital in the same way as savings from any other source (for example, earnings, an occupational pension or an inheritance). Your pension may be reduced or stopped depending on the amount you accumulate from all sources.

Can I get any extra benefits?

If you qualify for a pension, you may also qualify for the **Household Benefits Package**.

You may also qualify for a **Fuel Allowance**.

If you live alone or mainly alone, you may qualify for a **Living Alone Increase**.

For more information on these benefits, log on to www.welfare.ie

Points to note

- **If you are getting a means-tested pension from the Department of Social Protection and the means of you or your spouse or civil partner increase for any reason, you are legally obliged to notify us of the details in writing within three months. For example, if there is an increase in your savings or income, you must notify us as soon as possible. If you do not advise us of an increase in your means, you may incur an overpayment of pension which you (or your Estate following your death) will have to repay.**
- **Please ensure that you quote your PPS number when contacting us.**