



Voluntary Contributions

What are voluntary contributions?

Voluntary contributions allow you to remain insured once you leave the compulsory PRSI system. You may choose to pay voluntary contributions, provided you meet certain conditions if you:

- are no longer covered by a PRSI scheme on a compulsory basis in Ireland,
- are no longer covered by a PRSI scheme on a compulsory or voluntary basis in any other E.U. country,
- are under age 66,
- satisfy qualifying conditions.

Note

Voluntary contributions are not compulsory, an individual may choose whether or not to pay them. They are not refundable unless paid after the due date or where compulsory PRSI was also paid in the same year. Refunds must be claimed within a four year time limit.

How do I become a voluntary contributor?

You are required to have already paid PRSI contributions from either employment or self-employment, as follows:

- **520 weeks** are required for admittance from a date on or after 6 April 2015
- **468 weeks** are required for admittance between 6 April 2014 and 5 April 2015
- **364 weeks** are required for admittance between 6 April 2013 and 5 April 2014
- **260 weeks** are required for admittance before 6 April 2013

and

- you must apply within 60 months of the end of the contribution year during which you last paid compulsory insurance, or where last awarded a credited contribution,

and

- you agree to pay voluntary contributions from **either:**

the start of the contribution week that follows the week in which you leave compulsory PRSI,

or

the start of any contribution year of your choice within the period covered by your admittance as a voluntary contributor.

Employment contributions at PRSI Class J cannot be used to satisfy these conditions. However, you may pay PRSI Class J and Voluntary Contributions at the same time, if you meet the entry criteria.

The **contribution year** is the same as the income tax year so it runs from January to December.

What rate of contribution should I pay?

There are **three** different rates of voluntary contributions. The rate you pay is based on the rate of the PRSI contribution paid or credited by you.

Type of contribution	Amount Payable	If you paid PRSI at Class
High Rate*	6.6%	A, E, H
Low Rate*	2.6%	B, C, D
Special Rate	Flat rate of €500	S

*The amount of voluntary contribution you pay in any contribution year is a percentage of your reckonable income in the previous tax year, subject to a minimum charge of €500 for the High Rate and €250 for the Low Rate.

How do I pay voluntary contributions?

You may pay voluntary contributions either:

- as a lump sum
- or**
- by instalment that are agreed with the Voluntary Contributions Section

If you are accepted to the scheme, you can pay your voluntary contributions by cheque, bankers draft or Standing Order.

You must pay the **full** contribution for the year within 12 months of the date that you are billed for voluntary contributions.

For more information, log on to **www.welfare.ie**.

What benefits do the voluntary contributions cover?

Voluntary contributions cover for long-term benefits, such as pensions. However, voluntary contributions do not cover short-term benefits such as Illness, Jobseekers, Maternity, Paternity, Occupational Injuries or Treatment Benefit, and they cannot be used to qualify for an Invalidity Payment.

The benefits of each Voluntary Contribution rate are as follows:

High rate contribution

- State Pension (Contributory)
- Widow's, Widower's or Surviving Civil Partner's Contributory Pension
- Guardian's Payment (Contributory)

Low rate contribution

- Widow's, Widower's or Surviving Civil Partner's Contributory Pension
- Guardian's Payment (Contributory)

Special rate contribution

- State Pension (Contributory)
- Widow's, Widower's or Surviving Civil Partner's Contributory Pension
- Guardian's Payment (Contributory)

If you are taking time off work to care for children (under age 12) or an incapacitated adult or child aged 12 or over, the **Homemaker's Scheme** may be a better option for you. Under this scheme, we may disregard years spent caring when we work out your entitlement to a State Pension (Contributory).

For more information on the **Homemaker's Scheme**, log on to **www.welfare.ie** or contact:

Department of Social Protection

Homemaker's Section

McCarter's Road

Buncrana

Co. Donegal

Telephone: **(01) 4715 898**

LoCall: **1890 690 690**

If you are calling from outside the Republic of Ireland please call **+353 1 4715898** (from Northern Ireland or overseas).

When do I stop paying voluntary contributions?

You stop paying voluntary contributions in the last completed contribution year before you reach age 66.

You also cease to be a voluntary contributor, if you become liable to pay compulsory PRSI again, as either an employed, or self-employed contributor.

If you meet the PRSI conditions for a Widow's, Widower's or Surviving Civil Partner's Contributory Pension at age 66, you will remain covered for those payments.

How do I apply?

To become a voluntary contributor, you must complete application form **VC 1** and return it to:

Department of Social Protection

Client Eligibility Services

Social Welfare Services

Cork Road

Waterford

Telephone: **(01) 4715 898**

LoCall: **1890 690 690**

If you are calling from outside the Republic of Ireland please call **+ 353 1 4715898**.

Issued by:
Information Services
Social Welfare Services
College Road
Sligo

For more information:

- Log on to www.welfare.ie.
- Telephone: (071) 919 3302
LoCall: 1890 66 22 44
If you are calling from outside the Republic of Ireland please call +353 71 91 93302.
- Drop in to your local Citizens Information Centre, your local Intreo Centre or your local Social Welfare Office.

Credits

It is not always necessary to pay voluntary contributions, if you cease employment. If you are in receipt of a social welfare payment, or signing for credits, you may be due credited contributions (or 'credits') which will also keep your social insurance record up to date. You can check whether you are getting credits on your social welfare payment by contacting your local Intreo Centre or your local Social Welfare Office.

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

Leaving work due to illness

If you are unfit for work because of illness, injury or disability, you may be entitled to 'credits'. 'Credits' are normally awarded automatically, if you are getting Illness Benefit, Invalidity Pension or Occupation Injury Benefit. If you work in the Public Service and pay PRSI at class B, C or D and you have to give up work because of ill-health, you can maintain your social insurance record by sending in medical certificates once a year. You can apply for these 'credits' by completing application form **CR 35**.

You should send your completed **CR 35** form to:

Department of Social Protection

Client Eligibility Services

McCarter's Road

Buncrana

Co. Donegal

Telephone: (01) 4715 898

LoCall: 1890 690 690

If you are calling from the Republic of Ireland please call +353 1 4715898.

Leaving work to care for someone

If you leave the workforce to care for someone you may qualify for a payment from this Department, such as Carer's Allowance or Carer's Benefit. You may also be entitled to 'credits' while you receive these payments.

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

Where can I get more information?

For more information on Voluntary Contributions, contact your local Social Welfare office or **Client Eligibility Services**, Waterford Office, at the address provided.

For information booklets, application forms and more information on social welfare services:

- Log on to www.welfare.ie.
- Telephone: (071) 919 3302
LoCall: 1890 66 22 44
If you are calling from outside the Republic of Ireland please call +353 71 91 93302.
- Drop in to your local Citizens Information Centre, your local Intreo Centre or your local Social Welfare Office.

Note

The rates charged for using 1890 (LoCall) numbers may vary among different service providers.

Other useful booklets

Giving up Work Due to Ill Health	SW 20
Guardians Payment (Contributory) and Guardians Payment (Non-Contributory)	SW 115
Homemaker's Scheme	SW 1
Prescribed Occupational Diseases	SW 33
Rates of Payment	SW 19
Widow's, Widower's or Surviving Civil Partner's Non-Contributory Pension	SW 26

Additional Information available here on State Pension (Contributory):

<http://www.welfare.ie/en/Pages/Qualifying-for-State-Pension-Contributory.aspx>

This leaflet is intended as a guide only and does not purport to be a legal interpretation.