



Auto-enrolment:  
Get ready for  
January 2026



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# Government advertising campaign is now live...

...the strongest indication  
that Auto-enrolment  
will happen



**The new auto-enrolment  
retirement savings scheme is coming**

You pay in, your employer pays in,  
and the State tops it up.

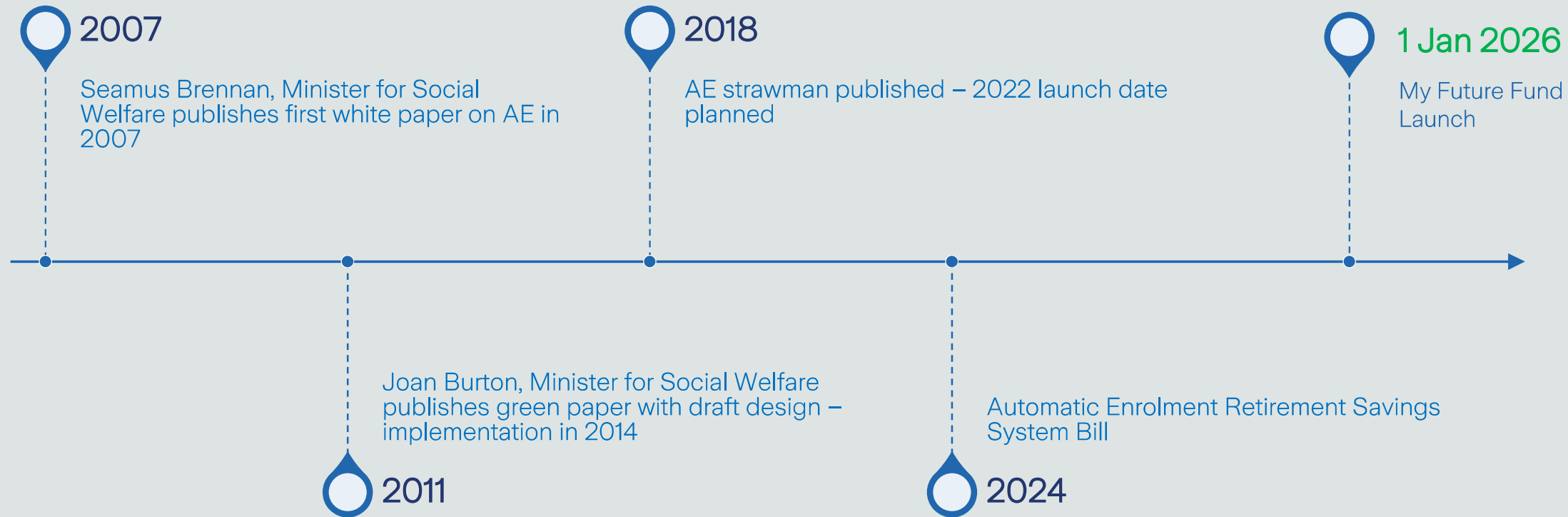
Visit [gov.ie/AE](https://gov.ie/AE)



Rialtas na hÉireann  
Government of Ireland

# Auto-enrolment has been discussed for decades

Introduction is imminent



# Why is auto-enrolment being introduced?

Ireland has

- Ageing Population
- Low Private Pension Coverage: Only 1 in 3 workers have supplementary pensions
- Reduction in living standards on retirement for many workers
- 800,000 workers currently without a workplace pension



Source: Dept. of Social Protection / Pensions Authority, April 2025



## My Future Fund – Progress made

Now launching on  
**1<sup>st</sup> January 2026**



### What's been happening?

1. Established NAERSA headquartered in Letterkenny, CEO and Board positions advertised.
2. Tata Consultancy services on board to develop the customer support systems, online portals.
3. Announced Investment Fund Providers
4. DSP Engagement with Payroll providers
5. DSP Sessions with Employers, Industry bodies

# Who will be auto-enrolled?

An estimated 800,000 workers who:

1. **Earn over €20,000 per year**
2. **Are aged between 23 & 60**
3. **Are not already in a pension scheme**

- Includes employees on probation, casual, seasonal or part-time contracts
- Voluntary opt-in for employees outside age and income thresholds

Those currently excluded:

- Self-employed
- Non-earning
- Active members of Occupational schemes, PRSAs and PP's (ER **or** EE Payroll deducted)



## What are the Contribution rates?

Contributions include employee and employer contribution, with a government top-up equal to 1/3<sup>rd</sup> of the employee contribution.

Contributions increase every 3 years over the first 10 years of the scheme

Salary ceiling of €80,000p.a.

Year	Employer Contribution	Employee Contribution	Government Top-Up	Total Contribution
1-3	1.5%	1.5%	.5%	3.5%
4-6	3.0%	3.0%	1.0%	7.0%
7-9	4.5%	4.5%	1.5%	10.5%
10 onwards	6.0%	6.0%	2.0%	14.0%

Source: Brokers Ireland/ Life, July 2024



# What will NAERSA do?

Identify AE participant's and Notify Employers

Collect pension contributions

Apply Contributions and State top-up to each account

Distribute contributions to investment companies

Distribute investment returns to participants

Pay Retirement Claims





# How will employee's be enrolled?

NAERSA Review Payslip data from Revenue

Conduct ongoing eligibility tests

Create AEPN files sent to Employers

Employer applies within payroll and contributions are deducted and paid to NAERSA



## What about suspending contributions?

- Any time after the 6-month mandatory participation period
- Suspend for a minimum of 1 year, maximum of 2 years
- No refund of contributions – all contributions stay invested in the pot



# What about opting out of auto-enrolment?

- Employee must be enrolled for 6 months
- Employee can opt out during months 7 and 8
- Employee gets a refund of their contributions
- Employer and State contributions stay in the pot
- Also opt-out after a contribution rate change in the first ten years of the scheme

## Automatic re-enrolment

- Employees who opt out or suspend contributions are automatically re-enrolled after 2 years if they still meet the eligibility criteria.

# What about investing and accessing funds?

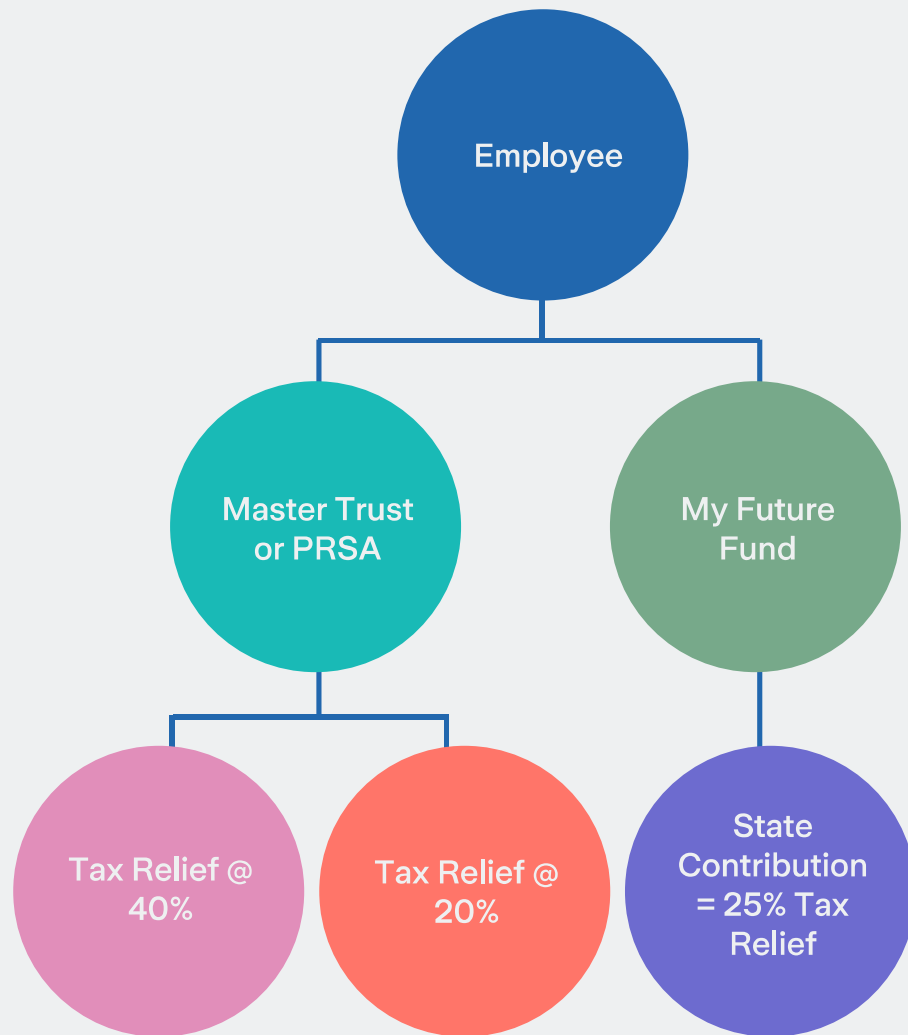
## Investment

- Employees will be automatically invested in a default life styling fund with additional options to switch out of that to three investment funds

## Retirement

- Members will be able to take 25% of their funds as a lump sum (Tax Free up to €200,000)
- Remaining 75% paid as Taxable Income with an option for government to include ARF, Annuity or in scheme drawdown options at a later date.

# Ireland's Dual Retirement Incentive Systems





## Employee Incentives

Tax Relief vs State Top up in AE

### State Top-up

- Equates to 'tax relief' of 25%
- Significantly less than the 40% currently on offer for a 40% taxpayer

€100 Contribution	Higher Rate Taxpayer (40%)	State Contribution (1:3)	Standard Rate Taxpayer (20%)
Member	€60	€75	€80
State	€40	€25	€20
Total	€100	€100	€100

# Pensions for Employee's – Comparing both systems

## Key Features

### Traditional Workplace Pensions

- Financial Advice for Members
- Member Engagement and Support
- Flexible Contribution Rates
- Early Retirement Possible
- Better Incentive for 40% taxpayer
- Member can make AVC's
- Wide range of fund options

### My Future Fund

- No Financial Advice
- No member engagement
- Rigid Contribution rates (low in early years)
- Access at State Pension Age (66)
- State Contributions
- No AVC's
- Narrow Investment Choice

# AE Ready Action Plan

- Define AE Gap
- Get Financial Advice
- Choose - AE vs Workplace Pension
- Budget
- Review Existing Workplace Pension Design





# AE Ready Action Plan

- Communicate with Employee's
- Payroll Systems
- Register for AE Portal
- Contracts of Employment
- Training & Support



# Why set up or expand your Workplace Pension?



Financial Advice



Employee Benefits  
Focus



Flexibility



Consistency



Communication



Control



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# What about your existing pension scheme?

## Potential Challenges

- Voluntary
- Vesting Periods
- Probationary Periods
- Standards and Exemptions
  - Exempt all in a salary deduction scheme ir
  - Over time standards will be set (2032)
- “Best Pot Wins”
- Hybrid v Integration

# Considerations for employers – what do you need to do?

Act now

- 1 | **Eligibility** – check eligibility periods – keep same or alter with provider
- 2 | **Higher rate taxpayers** – need to find the best home for them!
- 3 | **New joiners** – potential new category for membership of existing scheme and change of contract if appropriate
- 4 | **Education** – educate non-members of existing schemes as to what suits them best

# What will employers have to do?

- 1 | **Contributions** to the NAERSA will be via payroll deduction.
- 2 | **Employers will match** the member's contributions up to an eventual maximum of 6% (initially limited to 1.5% of the member's earnings to a ceiling of €80,000, increasing at 1.5% every three years to a maximum of 6% from year 10).
- 3 | **Employer contributions** will continue to be deductible for corporation tax purposes.

Payroll will be the main “interface” for AE

## Communication will be key

You must provide a  
workplace pension,  
Even if you employ  
just one person



## The new auto-enrolment retirement savings scheme is coming

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# Why should an employee join their existing workplace scheme?

- 1 | More generous tax-relief for higher rate taxpayers
- 2 | Higher contribution amounts
- 3 | Greater product flexibility

# HR preparations for AE

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## Workplace Assessment

- ✓ Age
- ✓ Salary
- ✓ Current retirement arrangements

## Added workforce considerations

- ✓ Employee needs
- ✓ Hiring plans

## Evaluating costs

- ✓ Upcoming contributions

## Considering existing pension scheme(s)

- ✓ Seek expert opinion on existing schemes
- ✓ Encouraging participation in existing scheme **vs** in AE scheme?
- ✓ Management/removal of existing schemes

## Added considerations and costs

- ✓ Administration
- ✓ Training and communication
- ✓ Compliance/consulting fees
- ✓ Plan management fees
- ✓ Additional HR Resources
- ✓ Incorporating ongoing AE management into new or existing roles

# Auto Enrolment changes to contracts

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Changes should be made to the contract of employment to incorporate:

- ✓ Provisions related to pension contributions
- ✓ Employee obligations
- ✓ Any other relevant conditions with respect to the AE scheme



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# Changes to policies and procedures

Employers should include relevant changes in AE into appropriate policies and procedures.

Employers should ensure that:

- ✓ Any updates align with current laws and best practices.
- ✓ Employees are adequately informed of changes.
- ✓ Policies maintain clarity regarding employee responsibilities and rights related to the AE scheme.

**Clarity is key** for compliance and to help avoid issues during transition.



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# Policies and Auto Enrolment

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✓ Absence

✓ Annual leave

May need to be modified to clarify implications for AE contributions during periods of absence.

✓ Probation periods

✓ Notice periods

May need to be updated to reflect new obligations for employee contributions during these periods.

# Payroll Considerations





# What are some payroll considerations?

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It's important for employers to consult with their payroll providers about AE.

Will my current system meet the reporting requirements of the new scheme?

Employers should identify the most efficient way to implement the new scheme into their existing system as soon as possible.



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# Ongoing employer responsibilities

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## Ongoing employer responsibilities may include:

- ✓ Monitoring and ensuring continued compliance with AE regulations.
- ✓ Regularly reviewing and updating the AE scheme as required.
- ✓ Providing ongoing education and support for employees around their benefits and options.
- ✓ Staying informed on any legislative changes that may impact the AE scheme or related obligations.



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**Any questions or to set up a meeting please contact via the below:**

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