

# Get Ready for Auto-Enrolment

**A NEW ERA OF  
RETIREMENT  
SAVINGS –  
WHAT  
EMPLOYERS  
NEED TO  
KNOW**





## Auto-Enrolment is coming

From 1<sup>st</sup> January 2026, eligible employees will be automatically enrolled into a new retirement savings system, and employers will play a key role.

Auto Enrolment is a new retirement savings scheme “Future Save” for employees who are not members of an existing workplace pension. It is designed to ensure the 800,000 workers without a pension have a simple, consistent way to save for retirement.

### What Employers Should Do

As an employer, in Ireland, your participation is not only mandatory, it is vital to its success. You should assess your existing pension arrangements and determine how the new system will impact your workforce. This includes identifying eligible employees, reviewing contracts of employment, communicating with employees and potentially amending existing pension schemes to avoid automatic enrolment into the new system.

### Why Auto-Enrolment?

- **Support Financial Wellbeing:** Help your employees build long-term financial security.
- **Close the Pension Gap:** Many workers – especially younger and lower-income earners, aren't currently saving for retirement.
- **A National Priority:** The government is introducing Auto-Enrolment to improve retirement outcomes across Ireland.

### Who Will Be Enrolled?

#### AUTOMATICALLY ENROLLED IF PERSON:

- Does not have a pension scheme (not a member of a scheme) with contributions payable through salary deduction
- Earns more than €20,000 p.a.
- You are aged between 23 - 60

#### CAN OPT TO ENROL IF PERSON:

- Does not have a pension scheme
- Earns less than €20,000 per year
- Is aged outside 23 – 60 years age bracket





## What Are The Required Contributions

- Calculated on employee's **gross** earnings up to **€80,000** per year – all taxable income included
- Employee contributions are **not relieved** for tax, USC, or PRSI
- State top up of €1 for every €3 paid by the employee is **equivalent to 25% tax relief**

Years From Launch	Employee	Employer	Government	Total
1 to 3	1.5%	1.5%	0.5%	3.5%
4 - 6	3.0%	3.0%	1.0%	7.0%
7 - 9	4.5%	4.5%	1.5%	10.5%
10+	6.0%	6.0%	2.0%	14.0%

## Benefits To The Employer

- **Boost employee satisfaction and retention**
- **Showcase your commitment to staff wellbeing**
- **Stay compliant with new legislation**
- **No need to manage investment funds – the National AE Retirement Savings Authority will handle administration and fund management**





## Tax Rellief: **AE** versus Occupational Scheme/PRSA/RAC

### Current Pension Structures:

Income tax relief for employee contributions (including AVCs)

- Income tax relief is at marginal tax rate. No relief from USC / PRSI
- Tax relief is subject to an age-related earnings percentage limit and a total earnings limit of €115,000
- Employer contributions allowed as an expense

### Auto-Enrolment

- No Income tax relief for employee contributions
- Employer contributions allowed as an expense



### Opting Out

Employees must remain in the scheme for the first **6 months**

- Employee **opt-out** will be allowed in **months 7 and 8**
  - Refund of employee contributions
  - No refund of employer contributions or State top-up
- Employees may also **opt-out** after each **contribution increase**
- Employees can suspend contributions at any time (no refund)
  - Employer contributions will also be suspended
- Automatic re-enrolment process after 2 years
- Opt-out will not be available after phasing-in once 6% contribution rate reached
- **Employers cannot opt-out**



## Expert Advice

If you need help navigating your auto-enrolment strategy [contact us](#).



**Fionán O' Sullivan**  
**Director Employee Benefits**

Email: [fionan@trustmatters.ie](mailto:fionan@trustmatters.ie)

Phone: +353 869299706

Connect with me on LinkedIn



**The Taney Buildings, 3 Eglinton Terrace,  
Dundrum, Dublin 14, D14 T9V0**

**Email: [info@trustmatters.ie](mailto:info@trustmatters.ie)**

**Phone: +353 1 563 4300**

**Web: [www.trustmatters.ie](http://www.trustmatters.ie)**

**Connect with us on LinkedIn**



**TRUST MATTERS**  
FINANCIAL PLANNING



*Your peace of mind is our priority.*