

# The current status of the AHV 21 reform

## What is the specific impact of the AHV 21 reform on pillar 3a and vested benefits?

### Background

On 25 September 2022, the AHV 21 reform was approved by the Swiss electorate. This affects both occupational and private pensions. The reform provides for changes to the reference age, early withdrawal and deferral of retirement benefits. The statutory retirement age for women will be gradually increased from 64 to 65 years. The AHV 21 reform will come into force on 1 January 2024.

### What is the impact of the reform on pillar 3a?

For women of the transitional generation (born between 1961 and 1964), the reference age will be gradually increased as shown in the table below.

The withdrawal deadlines for pillar 3a funds are also changing (see table below). With the increase in the reference age, the latest possible withdrawal date for pillar 3a funds is also changing accordingly. In addition, as of 1 January 2024, women born in 1965 or later will be able to withdraw their pillar 3a funds at the age of 60 at the earliest.

### New withdrawal deadlines for women

Year of birth	Earliest withdrawal	Reference age	Latest withdrawal without further gainful employment	Latest withdrawal with further gainful employment
1960 and earlier	59 years	64 years	64 years	69 years
1961	59 years (2020)	64 years and 3 months (2025/2026)	64 years and 3 months (2025/2026)	69 years and 3 months (2030/2031)
1962	59 years (2021)	64 years and 6 months (2026/2027)	64 years and 6 months (2026/2027)	69 years and 6 months (2031/2032)
1963	59 years (2022)	64 years and 9 months (2027/2028)	64 years and 9 months (2027/2028)	69 years and 9 months (2032/2033)
1964	59 years (2023)	65 years (2029)	65 years (2029)	70 years (2034)
1965 and later	60 years	65 years	65 years	70 years

Example I: A woman born on 3 May 1965 is 58 years old in 2023. She would like to withdraw her pillar 3a balance in 2024 at the age of 59. She may do so in 2025 at the earliest, once she has turned 60 (from 3 May 2025 to 3 May 2030).

Example II: A woman born on 30 November 1961 must have withdrawn her pillar 3a assets by 28 February 2026 at the latest (at the age of 64 years and 3 months) if she is no longer gainfully employed.

### Deferral of withdrawal of pillar 3a assets

As before, a deferral of the withdrawal of assets from pillar 3a is only possible if gainful employment is continued. For women and men, a deferral is possible up to a maximum of five years after reaching the reference age, i.e., up to a maximum age of 70.

### What is the impact of the reform on the vested benefits accounts?

### Gradual increase in the reference age for women of the transitional generation

For women of the transitional generation (born between 1961 and 1964), the reference age will be gradually increased as shown in the table below. For women born in 1964 whose entitlement to vested benefits arose in 2023 at the age of 59, the option of early withdrawal will not be lost when AHV 21 comes into force. Women born in 1965 or later are entitled to withdraw their vested benefits early at age 60.

Year of birth	Earliest withdrawal	Reference age	Latest withdrawal without further gainful employment	Latest withdrawal with further gainful employment
1960 and earlier	59 years	64 years	69 years	69 years
1961	59 years (2020)	64 years and 3 months (2025/2026)	68 years (31.12.2029)	69 years and 3 months (2030/2031)
1962	59 years (2021)	64 years and 6 months (2026/2027)	67 years (31.12.2029)	69 years and 6 months (2031/2032)
1963	59 years (2022)	64 years and 9 months (2027/2028)	66 years (31.12.2029)	69 years and 9 months (2032/2033)
1964	59 years (2023)	65 years (2029)	65 years (31.12.2029)	70 years (2034)
1965 and later	60 years	65 years	65 years	70 years

Example I: A woman born on 3 May 1965 turned 58 in the year 2023. She would like to withdraw her vested benefits in 2024 at the age of 59. She may do so at the earliest in 2025 at the age of 60 (from 3 May 2025).

Example II: A woman born on 30 November 1961 can withdraw her vested benefits until 31 December 2029 without proof of gainful employment. She can continue to postpone the withdrawal until 30 November 2031 (age 70) on condition that she provides proof of gainful employment.

### Deferral of withdrawal of vested benefits (women and men)

Currently, withdrawal of vested benefits may be deferred for up to five years beyond the statutory retirement age, i.e., up to a maximum age of 69 for women and 70 for men. It does not matter whether the person continues in gainful employment or not.

After the transitional period has passed, from 1 January 2030, deferral by up to five years after reaching the statutory reference age will only be possible if gainful employment is continued and this is confirmed and proven in writing to the vested benefits foundation. For those born in 1965 or later, it is no longer possible to defer the withdrawal of vested benefits without proof of gainful employment.

In order not to jeopardize planning security, the ordinance provides for a transitional arrangement for the period from 1 January 2024 to 31 December 2029 for all persons who wish to defer the withdrawal of vested benefits beyond the reference age. They can defer withdrawal during this period without proof of gainful employment.

### Early withdrawal of vested benefits

An early withdrawal can still be made at the earliest five years before reaching the reference age.

## Contacts

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