

Our General Terms and Conditions for Insurance Contracts apply. Providing this information in English is a special service for you. All policy documents sent to you shall be in German. All communications on your policy relationship shall also be in German.

ALLIANZ DIRECT INSURANCE

Occupational pension “at half price” – funded by salary conversion in accordance with § 3 (63) EStG (income tax act)

That’s how it works

- The employer concludes direct insurance on the life of the employee
- A portion of the salary is converted into premiums invested in retirement provision
- The contract “belongs” to the employee – even in case of change of employer

Advantages of the occupational pension

- Employees benefit from tax and social security savings¹
- Compulsory employer contribution²

The occupational pension is profitable

Model calculation of monthly salary conversion contributed into the direct insurance plan

	Compulsory employer contribution: Euro 15 ²	Total premium contributed into the pension plan: Euro 115
EE premium paid into the pension plan: Euro 100	EE tax savings: approx. Euro 30 ³	
	EE social security savings: approx. Euro 20 ⁴	
	EE own expense: approx. Euro 50	



¹ Premiums up to 8% of the contribution assessment ceiling (CAC) stipulated for German statutory pension insurance are tax-free (2025: Euro 644/month). Premiums up to 4% of the CAC invested in an occupational pension plan remain exempt from social security contributions (2025: Euro 322/month). A salary conversion scheme may result in lower social security benefits and the obligation to pay contributions to statutory health insurance. Taxes and statutory health and long-term care insurance contributions will only be due in retirement. ² If the deferred compensation into a direct insurance policy, pension fund or pension fund is exempt from social security contributions, the employer is obliged to pay a subsidy of up to 15% of the converted compensation up to 4% of the CAC. The employer’s subsidy can be waived by collective agreement. Note: Deferred compensation can lead to lower benefits from the statutory social security systems and possibly to an obligation to pay contributions to statutory health and long-term care insurance. The benefits are taxable individually and are generally subject to contributions to the statutory health and long-term care insurance schemes. ³ Assumption: Tax charge 30%. ⁴ Assumption: Social security contributions approx. 20%.



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Occupational pension funded by salary conversion in accordance with § 3 (63) EStG (income tax act) – the advantages at a glance

Government incentives

Employees benefit from tax and social security savings¹

Simple and comfortable

Premiums will be paid via the employer in the context of the pay slip

Flexible and individual

Flexible commencement of pension payout
Choice between lifetime pension and (partial) lump sum payment, disability and survivor's provision can be included

Secure

Pension entitlements will not be considered as assets under unemployment legislation (Hartz IV) and are protected upon insolvency of the employer

Employer incentive

Employer contribution amounting up to 15% of salary converted up to 4% of the CAC²

Sustainable pension plans provided by the market leader: Allianz Direct Insurance

Long-term retirement provision needs a sustainable partner. Renowned rating agencies regularly award top marks to Allianz Lebensversicherungs-AG for quality, financial strength and security.



MORGEN & MORGEN
"Excellent" rating for financial stability of Allianz Lebensversicherungs-AG, ID: D 24155, As of 10.2024, mm-ratings.de



FOCUS MONEY
"Financially strongest life insurer in Europe"
Test: the 10 largest life insurers in Europe
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Did you know? Employees have a legal right to salary conversion.

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