

AHV/AVS 21 reform

The key changes

More self-determination when drawing retirement benefits and a uniform reference age: the AHV/AVS reform is bringing changes for future pensioners – and offers opportunities for those who plan early.

Flexible pension withdrawal from AHV/AVS

The AHV/AVS reform, which enters into force on 1 January 2024, offers more self-determination when retiring – for men and women. You can now have your AHV/AVS retirement pension paid out flexibly from a freely chosen month between the ages of 63 and 70. You can also draw part of your AHV/AVS pension before reaching the reference age or defer it until afterwards. You are thus free to make the transition from working life to retirement in self-determined steps.

The “reference age” is the age at which you draw your AHV/AVS pension without deductions or supplements. The AHV/AVS reform sets this at 65 years of age for both men and women.

Incentives to continue working after 65

As before, if you continue to work after the reference age, AHV/AVS contributions will be due on the income earned, provided this exceeds the statutory allowance. Following the AHV/AVS reform, these will now be “pension-building”. This means that you can use your contributions to improve your AHV/AVS pension – up to the maximum AHV/AVS pension.

It will now also be possible to waive the tax-free allowance if you continue to work after the reference age, so that you can also pay AHV/AVS contributions on income below the tax-free allowance. This will also improve your AHV/AVS pension.

Check the impact of an early withdrawal or deferral

The new flexibility offers more opportunities to shape retirement in a self-determined manner – but it also requires careful planning and a review of various scenarios and their financial implications. Particularly if you are

considering early retirement, the ten years leading up to retirement are particularly important in order to prepare optimally for your retirement. Our experts can provide you with comprehensive advice on your pension options.

More flexibility also in the second pillar

Some employee benefits institutions already offer flexible retirement solutions today on a voluntary basis. As a result of the AHV/AVS reform, all pension funds will now be obliged to facilitate early retirement or the deferral of retirement benefits if gainful employment continues. The option of partial retirement must now also be offered.



You can find out more about the AHV/AVS reform at [swisslife.ch/pension-reform](https://www.swisslife.ch/pension-reform)

Uniform reference age for men and women

The AHV/AVS reform is introducing a uniform reference age of 65 for AHV/AVS. To this end, the reference age for women is being gradually increased from 64 at present to 65. To cushion this increase, women born between 1961 and 1969 are to receive compensation as the “transitional generation”. They will benefit either from a lifelong supplement to their AHV/AVS pension or from lower reduction rates in the case of early withdrawal.

Both the supplement and the reduction rates are graded by age and income category and can be accessed online: www.bsv.admin.ch/ahv21

Reference age for women

Year of birth	Reference age
1960 and earlier	64 years (no increase)
1961	64 years + 3 months
1962	64 years + 6 months
1963	64 years + 9 months
1964 and later	65 years

Good to know

- ✓ The uniform statutory reference age of 65 is also being introduced in the second pillar. This will lead to higher BVG/LPP retirement benefits for women: the longer contribution period will increase their retirement savings and enable them to increase their pension by 4-5%.
- ✓ While the withdrawal of pillar 1 (AHV/AVS) retirement benefits can be planned independently of actual gainful employment, the withdrawal of pillar 2 (BVG/LPP) retirement benefits must correspond to the actual employment situation.
- ✓ The opportunities offered to you by the changes introduced by the AHV/AVS reform largely depend on your individual financial and professional situation. However, the earlier you plan your retirement, the more flexibility you will generally have.