

Mr. Michael Noonan
Minister for Finance
Department of Finance
Government Buildings
Upper Merrion Street
Dublin 2

7th June 2011

Dear Minister,

Re: Pension Levy

Thank you for taking the time to meet with us on May 24th to discuss the pension levy.

You will be aware from the meeting and our previous correspondence on this issue that we have consistently opposed the proposal to levy pension assets. It is clear that the intention of a certain section of the “pensions/financial services industry” is to pass the full impact of the levy on to their customers, whether they are pension scheme trustees or individual savers. We represent those pension schemes that now have to face reducing member benefits including cutting pensioners’ incomes and we are expressing their concerns and objections to the levy.

As we outlined at our meeting, the IAPF supports the Government’s jobs initiative and recognises that pension schemes have a role to play in the economic recovery of the country. Our concerns and disappointment relate to *how* this is being done.

We outlined in our discussion that we believe there are more positive ways in which pension schemes and savers could contribute to job creation and revenue raising.

While it is disappointing that the Government is proceeding with the legislation to give effect to the levy, we welcome the willingness on your part to consider if these alternatives could be substituted to at least diminish or remove altogether the need for the levy in 2012, 2013 and 2014. In this regard, we will work over the coming weeks to further develop the proposals we put forward at our meeting with you and your Department.

Finally, we believe it would allay the concern of the average worker saving for their retirement if you could formally confirm that the Government may consider replacing the levy from 2012 provided a suitable alternative source of revenue can be generated.

Yours sincerely

Maurice Whymys
Chairman