



## Fact Sheet

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## Old-Age and Survivors' Insurance (AHV)

### Start and End of Compulsory AHV Cover

All employed persons are liable to contributions from 1 January after they reach the age of 17. The obligation to pay contributions ends when they reach normal retirement age (65 for both women and men from 1 January 2024 onward) and give up their employment.

### Standardization of normal retirement age (reference age) for women and men to 65 years

The reform of the old-age and survivors' insurance (AHV 21) introduces a standard retirement age of 65 for both men and women. Since this age is the new reference point for flexible retirement, it is known as the reference age: anyone who draws their pension at 65 will receive their pension without social security deductions. Women in the transitional generation born between 1961 and 1969 will receive lifelong pension supplements provided they do not draw their pension early. The reference age of 65 also applies to occupational pension provision (pension fund).

### Exemption can be waived from 64/65 years

People who work beyond the reference age currently do not pay AHV contributions on salaries of up to CHF 1,400 per month. With the reform, this exemption can now be waived. Under certain conditions, it is therefore possible for people to fill gaps in their contributions to the AHV and increase their pension (up to the maximum retirement pension). Employees who have reached the reference age can thus decide for themselves whether they wish to waive this exemption on salaries of up to CHF 1,400 per month.

If you would like to waive the exemption, you must inform UZH before your first salary after reaching the reference age is paid. Once the salary has been paid, it is no longer possible to retroactively waive the exemption.

Unless you inform UZH before the first salary payment in the year after you reach the reference age that you wish to waive this exemption, no AHV contributions will be paid on amounts of up to CHF 1,400. This also applies to supplementary payments made in the relevant year.

### Salary Contributions to the AHV

AHV contributions are deducted from the employee's determining salary (= 5.30% AHV/IV/EO as of today).

The determining salary includes, for example:

- The monthly salary and hourly wages
- Remuneration for extra hours and overtime
- Remuneration for on-call duty
- Payment of vacation balances
- Seniority allowances, one-off bonuses
- Settlements

Family benefits do not count toward the determining salary.



### **Contributions on Insignificant Salary Amounts**

Contributions are only levied on determining salaries of less than CHF 2,300.00 per year in a calendar year at the insured person's request.

### **Remuneration for Privatdozents**

Remuneration for privatdozents and instructors with similar pay arrangements also form part of the determining salary.

Remuneration for one-off, non-recurring courses does not count toward the determining salary (in accordance with margin number 4010 of the AHV guidelines on the determining salary). In such cases, the remuneration is paid out without any social insurance deductions. This only applies if the person is not already employed at the University of Zurich and is not liable for social insurance.

### **Scholarships and Similar Grants**

Scholarships and similar grants generally do not form part of income from employment unless they are clearly connected to an employment relationship or the party providing the funding has control over the results of the work (in accordance with margin number 2186 of the AHV guidelines on the determining salary).

### **Self-Employed Persons**

Self-employed persons must send an invoice for their services to the University of Zurich's accounting department. They must provide evidence of their self-employment with an appropriate document (e.g. VAT number).

The compensation office shall decide in each case whether an insured person is self-employed for the purposes of old-age and survivors' insurance. As a result, it is not out of the question that a self-employed person may be recorded as being employed for a different activity.