

Information for members: Your retirement pension: taxes and social security contributions

Pension benefits that you receive from a pension fund are generally taxable. However, the taxes are not withheld by the PKDW. The taxation takes place via your annual income tax return.

For taxation:

The taxation of your benefit depends, among other things, on how the contributions were brought in under tax law.

Contributions	Benefits
tax-free	fully taxed
subsidised	fully taxed
taxed as flat-rate	with share of income
individually taxed	with profit share

Pension fund benefits resulting from tax-free or allowance-subsidised contributions (Riester) are fully taxable.

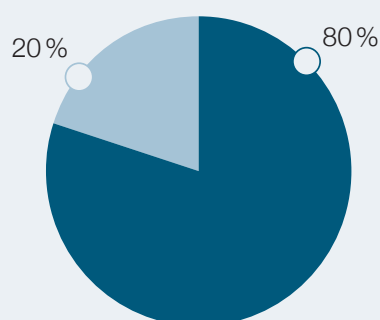
Benefits from contributions taxed at a flat rate or individually-taxed contributions will only be taxed at the share of income.

The amount of the income share depends on your age at retirement:

Age at retirement	60	61	62	63	64	65	66	67
Share of income	22 %	22 %	21 %	20 %	19 %	18 %	18 %	17 %

Example:

Pension from flat-rate taxed contributions: 1000 euros; start of pension: 63



- Tax-free payment (800 euros)
- income share (200 euros) is added to the taxable retirement income

On social security contributions:

The health insurance fund responsible for you decides whether your pension is subject to health and long-term care insurance and whether we therefore forward contributions from your monthly pension directly to your health insurance fund. When we pay you your pension for the first time, we are therefore obliged to notify your health insurance fund of this pension payment.

If you are compulsorily insured in the statutory health insurance scheme, the full amount of your pension is subject to compulsory contributions. By way of exception, parts of your pension are exempt from contributions if you

- > have continued your pension provision with the PKDW after leaving the company with purely private contributions and without the involvement of an employer, or
- > have made riesther-subsidised contributions in accordance with § 10 a, 82 ff EStG.

No health and long-term care insurance contributions are levied on the portion of your pension that was earned from these contribution payments.

Contribution rates 2025

Health insurance: 14.6% (general contribution rate)
+ additional contribution*

Nursing care insurance: 4.2% (general contribution rate)
3.6% (with child/children, lifelong)

* the amount of the additional contribution depends on your health insurance fund

Note: from the 2nd to the 5th child under the age of 25, the contribution rate is reduced by 0.25 percentage points in each case. Parental status can only be taken into account with appropriate proof. Suitable documents are e.g. birth or adoption certificate, certificate of paternity, certificate of descent, tax certificate of living from the residents' registration office or official confirmation of the foster child relationship.

Important notice:

If the sum of your monthly pension payments (except for the statutory pension) is below EUR 187.25 (in 2025), no health and long-term care insurance contributions are due.

In addition to this exemption limit, a tax-free allowance in the same amount has been applicable for health insurance contributions since 1 January 2020.

Please note that the information provided is no substitute for advice on tax law or insurance law.

As of: 01/2025



Further information can be found on the Internet at www.pkdw.de.

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