

Flexible Pension Act (Flexirenten-Gesetz)

The Flexible Pension Act (Flexirenten-Gesetz) that came into force in 2017 offers employees more flexibility with regard to the transition from working life to retirement. Above all things, it aims at creating financial incentives to continue working even after retirement.

The Act includes, among others, the following regulations:

- Those receiving an early old-age pension can additionally earn up to 6,300 euros per year exempt from charges. 40 percent of any higher additional income will be credited against the pension.
- Retired individuals that remain in work after they have reached the statutory retirement age can continue paying voluntary pension contributions.
- If individuals retire before having reached the statutory retirement age, they can compensate for pension deductions in whole or in part with a special payment when aged 50 and above.