

Payment of the pension assets for renovations of owner-occupied residential property

In the case of renovations and conversions to the owner-occupied property (no second or holiday home), it is possible to finance these with pension assets. The following list provides you with an overview of which investments can be implemented with pension assets.

Withdrawal of pension assets possible:

- Interior of the residential building (floors, walls, doors, ceilings) incl. cellar rooms and screed
- If connected to the house: Garden seating area (incl. roofing, pergola), conservatory, terrace / balcony, entrance canopy, sun blinds
- Sewer connections and water connections
- Facade, roof, doors, windows (incl. roller shutters, window shutters)
- Heating systems and installations (radiators, solar, boilers, burners), one-time connection fee to a district heating association and their connection installations
- Fireplace and Swedish stove
- Fitted cupboards
- Bathroom and WC (incl. sanitary installations)
- Kitchen (incl. kitchen appliances such as refrigerator, oven, cooker) as well as washing machine and dryer
- Electrical installations incl. solar systems and wiring
- Stairs to the house entrance
- Retaining wall to secure the property from a landslide (documentation required)

Withdrawal of pension assets not possible:

- Maintenance service and work
- Service subscriptions, fees
- Architect's fee
- Own contributions
- Furniture
- Electrical appliances
- Swimming pool, sauna, solarium, garage, parking space
- Garden oven, garden planting, garden design
- Exterior wall or fence to separate the property
- Purchase of adjacent land / plot of land or purchase of existing land / plot of land with building rights

The lists are not exhaustive. In order to be able to make a binding assessment, evidence of the renovations and conversions must be disclosed to the Zugerberg 3a Vorsorgestiftung. Invoices and order confirmations that are not older than one year are accepted as proof. Not accepted are offers, cash receipts from DIY stores, material invoices.

All invoices payable by the Foundation must be submitted in one package. In the event of a further invoice, the 5-year block applies.

Tax and inheritance law aspects

- An early withdrawal results in taxation of the pension assets at the pension tariff in the reference year.
- If the Contracting Party lives abroad, a withholding tax is levied. This is calculated according to the withholding tax rate of the canton in which the Retirement Savings Foundation is domiciled (<https://steuerrechner.zg.ch/cgi/quellkapin.cgi>) and deducted directly from the amount paid out. Depending on the country of residence, the withholding tax can be reclaimed within three years.
- The Retirement Savings Foundation must report each early withdrawal to the Federal Tax Administration.
- Please contact your personal advisor regarding inheritance law aspects in connection with the withdrawal of pension assets for residential property.

Processing duration

The money will be paid out to the beneficiary (seller, blocked account, notary) by the Zugerberg 3a Vorsorgestiftung within 25 working days **after all the necessary documents have been submitted** in accordance with the form "Early withdrawal for owner-occupied residential property".

Please note that

- the forms of the Zugerberg 3a Vorsorgestiftung must be used for each payout, and
- all documents that serve as the basis for the payout must be in the name of the Contracting Party.

Contact

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