Pension Advice



ADVICE | PENSIONS | INVESTMENTS

Your Guide to Accessing Your Pension Early

Early retirement options in Ireland

GUIDE 02

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Age 50 can open up options for accessing pensions early linked to past employments. Start by checking which pension arrangement you have and the rules that apply to accessing it.

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ELIGIBILITY

Which pensions can you access early?

Below is a guide by Pension type or arrangement and what the typical rules are for accessing that pension type early.

Pension arrangement	Typical access rules
Occupational Pension DC Plan or Master Trust (Previous Employer only)	Early retirement may be possible from [age 50] if the scheme allows and you have left the employment linked to those pension benefits at the time of assessing.
Personal Retirement Bond (buy-out bond)	Early access may be available from age 50.
PRSA	Normally from age 60. Access from age 50 can be possible when retiring from all employments, subject to the circumstances and provider confirmation.
Personal Pension	Normally from age 60. Earlier access can apply for certain circumstances on qualifying ill-health grounds.
Occupational Pension Defined Benefit Scheme (Previous Employer only)	Early retirement may be possible from [age 50] if you have left the employment linked to those pension benefits at the time of accessing. Some DB schemes don't allow early retirement
Irish State Pension	The contributory pension can generally be claimed between ages 66 and 70 by eligible claimants under the flexible arrangements.

Still Employed or working somewhere else?

You don't need to retire or stop working to access pension benefits early. You may access Pensions from previous employers even if you are still gainfully employed elsewhere at the time.

How your Tax-Free lump sum is payable.

Your scheme or pension type determines the lump sum available. Revenue rules determine How much of that amount you can take tax-free.

€200,000

Lifetime tax-free limit for qualifying retirement lump sums.

Cumulative lump sums	Irish tax treatment
First €200,000	Generally tax-free.
Next €300,000	Income tax at 20%.
Above €500,000	Higher-rate income tax and USC.

Can I take 25% of the fund tax free ?

In most cases there are 2 options for the tax-free lump sum amount [**25% of the fund value**] or some occupational pensions offer a salary-and-service route option. The salary and service route can impact on the options available with the balance of the pension.

If you have already taken a lump sum

If you previously used €60,000 of your lifetime tax-free allowance, €140,000 would remain available for further qualifying retirement lump sums.

Options for the balance of the pension

The available choices depend on your pension type and how the retirement lump sum is calculated.

Approved Retirement Fund (ARF) – not available on the salary and service route

The balance stays invested and can provide flexible withdrawals. The fund can fall in value and withdrawals can reduce how long it lasts. Withdrawals are generally subject to income tax and USC. PRSI may also apply.

Annuity

You use some or all of the balance to buy a guaranteed income for life. Check how payments would change with inflation and whether a dependent would receive an income.

Taxable cash or vested PRSA

Some arrangements allow you to take the remaining balance as taxable cash. A large payment can increase your tax bill for the year. With an eligible PRSA you may also be able to leave the balance invested in the vested PRSA.

When Revenue's deemed distribution applies

For an ARF or vested PRSA, the rules generally begin in the first tax year in which you are 60 The rate is 4% on relevant funds of €2 million or less, rising to 5%
when you are 70 or older throughout the tax year. Above €2 million, 6% applies to the full relevant value once the age condition is met. Qualifying withdrawals reduce the amount deemed distributed requirement.

WORKING EXAMPLE

Taking benefits at 52

Siobhán, 52, has a €180,000 Retirement Bond from a former employer. Her provider confirms she can take benefits and use the 25% lump sum option.

Illustrative calculation	Amount
Retirement bond value	€180,000
25% lump sum	€45,000, assuming sufficient unused tax-free allowance
Balance placed in an ARF	€135,000

At age 52

There is no deemed distribution requirement to take income from the ARF at age 52. Any voluntary ARF withdrawal is generally taxable.

When the 4% rate first applies

If her ARF is still worth €135,000 at the relevant valuation date, and assuming no other relevant funds or qualifying withdrawals, the 4% calculation would be €5,400. That is the gross amount deemed distributed for tax purposes from age 60.

Siobhán might use the lump sum to reduce her mortgage, help with college costs or financial stability through an illness or injury for example. However, advice should be sought on how this will impact the future and retirement income in later years by taking the money now.

What to consider before taking benefits early

Compare your retirement income if you take benefits now with what it could look like if you leave the pension invested for longer.

01

Be clear about what the money is for

For example, if you plan to pay down a mortgage or reduce your working hours, work out how much cash you need and when you need it.

02

Consider the long-term impact taking money now could have

Having early access can provide great flexibility but is it essential and how will it impact your future retirement income. Consider what income you might need later in life and if accessing your pension early could leave you exposed financially in the future.

03

Get the paperwork together

Bring recent statements, your leaving-service options or scheme booklet, a record of lump sums already taken and a list of the dates you left relevant employments.

Be alert to early-release scam offers

If someone promises access before your scheme allows it or under 50, or pressures you to Decide quickly, check their permissions on the Central Bank of Ireland register.



Pension Advice

What could you access, and when?

We can help you check what age you can access your pension, calculate the available lump sum, advise what options are available with the balance and compare the impact of accessing benefits now or later.

Get Expert Advice Now

www.pensionadvice.ie | 01 912 5030



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This guide provides general information as at 11 November 2026. It does not constitute personal financial or tax advice. Your options depend on your circumstances and the rules of your pension. The examples are illustrative.