

FAQS on PRD

1. What is PRD?

PRD stands for pension related deduction. It is commonly known as the 'Pension Levy. It appears on a teacher's pay slip as 'Pension Related DED'

2. When was it introduced?

PRD was introduced from the 1st March 2009 as part of the **Financial Emergency Measures in the Public Interest Act 2009**.

3. Who is subject to the pension-related deduction under Section 2 of the Act?

The deduction applies to public servants who are employed by or hold an office or position in a public service body and are members of a public service pension scheme.

4. What are the current rates of PRD?

The current rates are as follows:

- First €15,000 of earnings exempt
- Between €15,000 and €20,000 - 5%
- Between €20,000 and €60,000 - 10%
- Above €60,000 - 10.5%

5. When were teachers informed about the issue of underpayments?

There were a number of notifications to teachers on this matter. These were issued by the DES as follows:

- On 21 February 2011 (approx.) teachers received their P60's for 2010 and a *PRD60 – 2010 Pension-Related Deduction End of Year Certificate*. This Certificate recorded the amount of Overpaid and Underpaid Pension Related Deductions in 2010. Overpayments were refunded in the Dec 2010 payroll. Teachers were advised that arrangements for the recoupment of any underpayments were to be notified later.

- On 1 March 2011 (approx.) teachers received their *PRD60 – 2009 Pension-Related Deduction End of Year Certificate*. The Certificate recorded the amount of Overpaid or Underpaid Pension Related Deduction in 2009. Overpayments were refunded in November 2010. Teachers were advised that arrangements for the recoupment of any underpayments were to be notified later.

- A notice was included in the pay slip which issued on 10th November 2011 which stated: "As advised on Form PR60 issued in February 2011, underpayments of PRD for 2009 and 2010 will be recouped in 2011. This will commence in payroll issuing on 24th November 2011. Further information is available at www.education.ie/education_personnel/"

6. How many teachers will be affected by the recoupment of underpayments of PRD?

About 40% of teachers have underpaid PRD. A very small number have underpaid in both years (2009 & 2010). Of the teachers that have underpaid 98% have underpaid by €60 or less and will have all arrears recouped in two pay periods. The impact for the other 2% will be more severe.