

# money doctor



JOHN  
LOWE



GET YOUR FINANCES FIGHTING FIT!

# PENSION PUZZLERS

## When does it make sense to invest?

**Q** I HAVE run my own retail business since 2001, only pay myself €40,000 and leave decent profit in the company.

At 54 years of age, I really haven't done anything about a pension. Is it worth starting it at my age — and is it worth doing it through the company?

*It is such a confusing subject, any help would be appreciated.*

Thanks — Peter, Malahide.

**A** Thanks Peter — it is never too late to start a pension. You could invest directly yourself and claim the tax relief (30 per cent of your net relevant earnings — €12,000 annually — 35 per cent when you are 55 and 40 per cent when you reach 60) or get the company to

pay into your pension. There is a system called "max funding" where, at your current age and assuming you are married, your company could invest €68,800 this year into your pension (saving corporation tax in the process) or 172 per cent of your annual salary (€75,600) next year and rising each year until age 65.

### Fund

During this time, all growth in the fund or profits you make are tax-free. When you do retire at 65, 25 per cent of the fund can then be taken as a tax-free lump sum.

*The balance can be either taken via an annuity (a fixed deposit interest rate) or an Approved Retirement Fund.*

Email me for details but whatever you do, do something — you have funds to invest.

### Q&A



**RETIREMENT PLAN:** You're never too old to start paying into a pension scheme for later

## MONEY SHORTS: THERE'S LIFE IN MARS

● **PETER** Gene Hernandez — or Bruno Mars to music fans — is an American singer, songwriter, record producer, voice actor and choreographer. Born and raised in

Honolulu, Hawaii, Bruno is 30 years old today. ● He's received many awards and nominations and was named in *Time* Magazine's list of the 100 most influential people in the world in 2011. He was the featured artist

on *Forbes* magazine's 30 Under 30 list of brightest young stars last year and he has sold 100m singles and albums, making him one of the world's best-selling artists of all time. ● What's he worth? A cool €62.5m.

### TIP OF THE WEEK: SAVE FOR CHRISTMAS!

THIS is just a reminder — there are 11 weeks to Christmas.

Have you made out that list and checked it twice — order that turkey, Chablis, pressies for your favourite columnists — and figured out where the money is coming from?

Don't wait until the last minute, panic and either max out your credit card, take out a credit union loan or worse still, borrow from a moneylender.

### Account

You are probably not going to spend much more than €700 overall to cover your festive costs — that's €65 roughly every week for the next 11 weeks.

Try and see if you can deduct that amount now, starting tomorrow from your weekly wage and put it away — preferably in a deposit account despite appalling interest

### STASH THE CASH: Christmas plans



rates. But it's better than nothing and better in your pocket. ● Today is the last day to apply for the €100 water conservation grant. Go to [www.watergrant.ie](http://www.watergrant.ie).

## Doc's savers



HERE are some more bargains I spotted:

● **Detox for Christmas** — three-day juice cleanse with fresh cold pressed juices for €55 (38 per cent discount). Collect from Mary St, Dublin or Dundrum. See [www.detoxjuice.ie](http://www.detoxjuice.ie). Tel: 087 769 9447.

● **Aran Islands Hotel, Inis Mor** — two-night stay for two people including three-course dinner, breakfast and late check-out plus pier transfer €119 (47 per cent discount). Tel: (099) 61104. ● **Jaunting car for**

four people in a one-hour tour of Killarney National Park €26 (50 per cent discount). Tel: (064) 6633358.

● **Learn to ski or snowboard for €25 (one hour) at Ski Centre Stillorgan Co Dublin (48 per cent discount).** Tel: (01) 293 0588 See [www.skicentre.ie](http://www.skicentre.ie).



BREAK: Aran Islands

Tell them the Money Doctor sent you! Email real savings that our readers can enjoy to [jlowe@moneydoctor.ie](mailto:jlowe@moneydoctor.ie).

● **JOHN** Lowe is founder and managing director of Providence Finance Services Limited, which trades as Money Doctor. The financial advisor, whose firm is based in Stillorgan, Co Dublin, is also the author of the

best-selling book *The Money Doctor 2015* (published by Gill & Macmillan). ● He is available for seminars and consultations. Contact him at [consultation@moneydoctor.ie](mailto:consultation@moneydoctor.ie) or phone 01 278 5555.



SUCCESS: Bruno Mars

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