



# ensure

Pension plan without tax deduction  
§53A

## Pension plan with or without tax deduction

Pension plan without tax deduction (§ 53A)	Pension plan with tax deduction
<b>Contribution</b>	
<ul style="list-style-type: none"> <li>• Not tax deductible: Income tax is paid on the full contribution</li> </ul>	<ul style="list-style-type: none"> <li>• Full tax deduction</li> <li>• Pension contributions are not included in taxable income</li> </ul>
<b>Return</b>	
<ul style="list-style-type: none"> <li>• Returns are taxed as capital income (kapitalindkomst) on the annual statement from the Danish Tax Authority</li> <li>• Up to 42 % capital income tax is paid</li> <li>• The tax is paid on personal income</li> </ul>	<ul style="list-style-type: none"> <li>• Returns are taxed as pension yield tax of 15.3 %</li> <li>• Pension yield tax are paid by the pension savings</li> </ul>
<b>Payout and tax</b>	
<ul style="list-style-type: none"> <li>• Can be paid out as a lump sum. Payout is tax-free</li> </ul>	<ul style="list-style-type: none"> <li>• Paid out regularly as an instalment or life-long pension</li> <li>• The payout is taxable at the time of payment</li> </ul>
<b>Withdrawals before retirement age</b>	
<ul style="list-style-type: none"> <li>• No taxation</li> </ul>	<ul style="list-style-type: none"> <li>• 60 % taxation</li> </ul>

## Which pension plan should you choose?

