



# All you need to know about social security

## The pension system in the Principality of Liechtenstein

Status: January 2023. All information without guarantee

Group of persons	Benefits								Financing																												
	Calculation basis for benefit level	Temporary incapacity for work	Treatment, care, recovery	Permanent occupational disability	Death prior to retirement	Benefits after retirement	Adjustment of benefits	Contribution rates																													
<b>Old age, survivors' and disability insurance, family compensation fund</b>  <b>AHV/DI/FCF</b>	<b>Mandatory insurance</b> • Persons who live or work in Liechtenstein • Persons deployed abroad under certain conditions for a contractually agreed period  <b>Retirement age</b> Women/men: 64 for persons born in 1957 and earlier Women/men: 65 for persons born in 1958 and later Flexible retirement allows the start date of the retirement pension to be advanced or deferred to any date between ages 60 and 70.  <b>Drawing a pension early</b> Persons born in <table border="1"> <tr> <td></td> <td>1955</td> <td>1956</td> <td>1958</td> </tr> <tr> <td></td> <td>and earlier</td> <td>and later</td> <td>and later</td> </tr> <tr> <td>By 1 year:</td> <td>pension reduction –</td> <td>–</td> <td>5.0%</td> </tr> <tr> <td>By 2 years:</td> <td>pension reduction 3.0%</td> <td>5.5%</td> <td>9.7%</td> </tr> <tr> <td>By 3 years:</td> <td>pension reduction 7.0%</td> <td>10.6%</td> <td>14.0%</td> </tr> <tr> <td>By 4 years:</td> <td>pension reduction 11.5%</td> <td>15.2%</td> <td>18.0%</td> </tr> <tr> <td>By 5 years:</td> <td>pension reduction 16.5%</td> <td>19.5%</td> <td>21.8%</td> </tr> </table>  <b>Deferring a pension</b> Pension increase depending on the deferral period (5.22% - 40.71% for birth years until 1957 / 4.5% - 26.1% for birth year 1958 and younger)		1955	1956	1958		and earlier	and later	and later	By 1 year:	pension reduction –	–	5.0%	By 2 years:	pension reduction 3.0%	5.5%	9.7%	By 3 years:	pension reduction 7.0%	10.6%	14.0%	By 4 years:	pension reduction 11.5%	15.2%	18.0%	By 5 years:	pension reduction 16.5%	19.5%	21.8%	<b>Full pension</b> With no gaps in contribution years from age 20 (including education and care credits) • Retirement/disability pension Min.: CHF 1,190 per month Max.: CHF 2,380 per month • Widow's / widower's pension Min.: CHF 952 per month Max.: CHF 1,904 per month • Orphan's and retired person's child's pension Min. CHF 476 per month Max.: CHF 952 per month • Disabled person's child's pension Max.: CHF 476 per month Christmas bonus: In December, an additional payment of the same amount as the regular pension is made (valid for all pensions).	<b>DI daily benefits</b> • 80% of the applicable earned income during integration, and while inquiries are in progress • Child allowance	<b>AHV</b> • Medical aids • Helplessness allowance  <b>DI</b> • Integration measures (occupational measures, salary advance, cancellation of pension payments upon request, medical aids, daily benefits, reimbursement of expenses) • Promotion of disability assistance Principle: Integration before pension  <b>FCF (family compensation fund)</b> • Child allowances • Birth allowances • Allowances for single parents	<b>Disability pension</b> Amount (assuming full contribution period) depends on level of disability • From 40% = quarter pension Minimum: CHF 297.50 per month Maximum: CHF 595 per month • From 50% = half pension Minimum: CHF 595 per month Maximum: CHF 1,190 per month • From 67% = full pension Minimum: CHF 1,190 per month Maximum: CHF 2,380 per month  <b>Disabled person's child's pension</b> • Quarter pension: CHF 119 per month • Half pension: CHF 238 per month • Full pension: CHF 476 per month	<b>Widow's/widower's pension</b> 80% of the applicable retirement pension assuming full contribution period • Minimum: CHF 952 per month • Maximum: CHF 1,904 per month  In registered partnerships, the surviving partner is treated the same as a widowed spouse.  <b>Orphan's pension</b> 40% of the applicable retirement pension • Minimum: CHF 476 per month • Maximum: CHF 952 per month	<b>Retirement pension</b> Assuming full contribution period • Minimum: CHF 1,190 per month • Maximum: CHF 2,380 per month  <b>Supplementary pension for female spouse</b> Men born in 1944 or earlier who are eligible for a pension, provided their female spouse was born in 1954 or earlier and is not yet eligible for a pension  <b>Child's pension with the retirement pension</b> • CHF 476 • General entitlement up to attainment of age 18 • Children in education/training, until completion of the program but at most until attainment of age 20	In accordance with changes in salary and price trends • Usually every 2 years • Annually, if the national consumer price index rises by more than 4% • Later, if the index rises by less than 5% within 2 years	<b>Employee and employer</b> • AHV: 8.10% (Arbeitnehmer: 3.95%; Arbeitgeber: 4.15%) • DI: 1.5% (employee 0.75%; employer 0.75%) If the employer is not required to pay contributions: • AHV max. 8.10% bzw. IV max 1.5% of the applicable salary  <b>Self-employed persons</b> Contributions based on earned income (based on the second most recent tax year)  <b>Persons not gainfully employed</b> Min. CHF 365.75, max. CHF 11'891 per year, depending on their assets, pension income and other recurring benefits  <b>FCF</b> • Employers • Self-employed persons • Persons not gainfully employed Contribution rate: 1.9% of the applicable earned income  <b>Administrative costs (AC)</b> • 0,391% of the applicable salary • Parties that must pay contributions: employers, self-employed persons and persons not gainfully employed
	1955	1956	1958																																		
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<b>Supplementary benefits</b>  <b>EL</b>	<b>Eligible claimants</b> Liechtenstein citizens with their civil-law domicile in Liechtenstein who • draw a retirement or surviving dependants' pension, • receive at least a half disability (DI) pension or helplessness allowance, • have been receiving daily benefits from disability insurance continually for at least 6 months.  <b>Eligible claimants from abroad</b> • Citizens of Switzerland and countries of the European Economic Area with a civil-law domicile in Liechtenstein • Refugees and stateless persons who have lived in Liechtenstein for at least 5 years • Nationals of other states who have had their civil-law domicile in Liechtenstein (continuously) for at least 10 years	<b>Annual supplementary benefits</b> Difference between effective income and recognized expenditures  The maximum supplementary benefits are: • For single persons CHF 20,496 • For married couples CHF 30,768 • For persons with children (max.) CHF 57,120	<b>Annual benefits</b> Entitlement contingent on drawing DI daily benefits continuously for at least 6 months	Compensation of ancillary services, such as the cost of: • dentists • care • medical aids • cost contributions for the health insurance fund • etc.	Guaranteeing the subsistence minimum, provided that minimum living costs cannot be financed from pensions or other income	Guaranteeing the subsistence minimum for surviving dependants	Guaranteeing the subsistence minimum	The government can adjust benefits as appropriate	<b>Contribution rates</b> None  <b>Financing</b> Expenditures for supplementary benefits are borne half each by the Principality and the municipalities. The municipalities are debited commensurately to their resident population as per the most recent records of the Office of Economic Affairs.																												
<b>Employee benefits</b>  <b>BPVG</b>	<b>Mandatory insurance</b> Employees who pay contributions to the AHV and whose applicable annual salary is at least the minimum AHV retirement pension  <b>Retirement age</b> The same as for AHV  <b>Disability benefits</b> As of January 1 following the 17th birthday  <b>Death benefits</b> As of January 1 following attainment of age 17 if the person provides care for the spouse or children, or meets support obligations for a spouse who is separated  <b>Retirement benefits</b> As of 1 January after attainment of age 19, if the employment relationship is permanent (if the employment relationship has a fixed term of more than 3 months or, in case of a shorter fixed term, if it is extended beyond the term initially stipulated, it is regarded as permanent).	<b>Effective salary</b> Salary component between • CHF 85,680 (three times the maximum annual AHV retirement pension) and • CHF 14,280 (annual amount of the minimum AHV retirement pension)  The pension fund may set an upper limit on the relevant annual salary in its regulations. Currently, this limit may not be less than CHF 85,680.	Exemption from contributions	No benefits	<b>Mandatory minimum benefits</b> Amount (assuming full contribution period) depends on level of disability • Disability pension: 30% per year of the effective salary • Child's pension: 6% per year of the effective salary	<b>Widow's/widower's pension</b> • In case of an obligation to support a child / children, or if aged at least 45 and the marriage lasted at least 5 years: 18% of the effective salary for life • In all other cases: Single payment of 3 annual pensions In registered partnerships, the surviving partner is treated the same as a widowed spouse.  <b>Orphan's pensions</b> 6% of the effective salary per year for orphans who have lost one parent or 12% for orphans who have lost both parents	<b>Retirement pension</b> The amount of the retirement pension depends on the retirement assets when the pension begins and on the conversion rate (as a percent of the retirement assets). Components of the retirement assets: • Retirement credits of at least 8% of the effective salary • Vested benefits contributed • Interest earned on these contributions  <b>Survivors' benefits</b> • Widow's / widower's pension: 60% of the retirement pension most recently disbursed • Orphan's pension: 20% of the retirement pension most recently disbursed	Financing of cost-of-living adjustments is possible but not prescribed by law	<b>Contribution rates</b> • Retirement provision: Min. 8% of the effective salary • Risk contributions: defined according to the cost of minimum benefits • Guarantee Fund for compensation in case of insolvency: Contributions in accordance with the regulations  <b>Financing</b> For each insured person, the employer is responsible for at least half of the contributions and of the internal administrative costs of the occupational benefits institution.																												

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	Calculation basis for benefit level	Temporary incapacity for work	Treatment, care, recovery	Permanent occupational disability	Death prior to retirement	Benefits after retirement	Adjustment of benefits		
<b>Accident insurance (Accident Insurance Act, UVersG)</b>  <b>OUFL</b>	<b>Mandatory insurance</b> <ul style="list-style-type: none"> <li>Employees working in Liechtenstein</li> <li>An employer's family members who receive cash wages and pay AHV contributions</li> <li>Persons who have secondary earnings or a secondary job function, and whose salaries are subject to AHV contributions</li> </ul> Part-time employees who work less than 8 hours a week are insured only against occupational accidents (accidents on the way to and from work are regarded as occupational accidents).	<b>Daily benefits</b> Last salary amount drawn before the accident  <b>Pension</b> The salary drawn within the year before the accident Maximum insured earnings: CHF 148 200 per year CHF 406 per day	<b>Daily benefits</b> <ul style="list-style-type: none"> <li>80% of insured earnings from the second day of incapacity for work due to accident or occupational disease, until the person regains capacity for work or starts drawing a disability pension</li> <li>Reduction in percent in case of partial incapacity for work</li> </ul>	<ul style="list-style-type: none"> <li>Medical treatment</li> <li>Medical aids</li> <li>Property damage</li> <li>Travel, transport, rescue and search costs</li> <li>Costs of transporting the body and funeral expenses</li> </ul>	<b>Disability pension</b> Full pension: 80% of the insured Minimum degree of disability: 10%  <b>Complementary pension</b> The accident insurance grants a complementary pension to persons entitled both to a pension from AHV / DI and from the accident insurance. This supplements AHV/DI benefits up to 90% of the insured earnings.  <b>Impairment compensation</b> The payment is based on the percentage of physical or mental impairment and is disbursed as a lump sum. However, the amount may not exceed the maximum insured annual earnings applicable on the day of the accident.  <b>Helplessness allowance</b> <ul style="list-style-type: none"> <li>Calculation: Level of helplessness</li> <li>Monthly amount: At least twice and at most six times the maximum amount of insured daily earnings</li> </ul>	<b>Surviving dependants' pensions</b> <ul style="list-style-type: none"> <li>Widows/widowers: 40% of insured earnings</li> <li>Orphans who have lost one parent: 15% of insured earnings</li> <li>Orphans who have lost both parents: 25% of insured earnings</li> </ul> Multiple survivors: together, at most 70% of the insured earnings Separated or divorced spouses: 20% of the insured earnings (subject to a maximum of the maintenance contribution owed) In registered partnerships, the surviving partner is treated the same as a widowed spouse.  <b>Complementary pension</b> The accident insurance grants a complementary pension to persons entitled both to a pension from AHV / DI and from the accident insurance. This supplements AHV/DI benefits up to 90% of the insured earnings.	End of entitlement to a disability pension: <ul style="list-style-type: none"> <li>Full settlement (capitalized pension)</li> <li>Discontinuation of the pension</li> <li>Death of the insured person</li> </ul>	Cost-of-living adjustment: Based on price developments / national index, and AHV	<b>Contribution rates</b> <ul style="list-style-type: none"> <li>Calculation: In thousandths of the pensionable salary</li> <li>Occupational accident: Classification of companies by type and accident rate (tiered premiums)</li> <li>Non-occupational accident: Premiums structured by hazard class</li> </ul> <b>Financing</b> <ul style="list-style-type: none"> <li>Occupational accidents/diseases: Employer</li> <li>Non-occupational accidents: Employees</li> </ul>

Group of persons	Benefits		Financing
	Calculation basis for benefit level	Contribution rates and financing	
<b>Health insurance</b>  <b>KV</b>	<b>Healthcare</b> <ul style="list-style-type: none"> <li>Mandatory insurance: Person with their civil-law domicile in Liechtenstein, or gainfully employed persons</li> </ul> Regulations for cross-border commuters <ul style="list-style-type: none"> <li>Swiss citizens: No entitlement because they must be insured in Switzerland</li> <li>Austrian citizens: They may choose to be insured in Liechtenstein or in Austria</li> </ul> <b>Sickness benefits</b> <ul style="list-style-type: none"> <li>Mandatory insurance: Employees from age 15 working in a company with its registered office or branch office in Liechtenstein</li> <li>End of entitlement: When a full AHV pension is drawn</li> <li>Supplements to compulsory insurance are possible for insured persons with mandatory coverage</li> <li>Insured persons without mandatory coverage: Voluntary sickness benefits insurance is possible</li> </ul>	Mandatory healthcare insurance offers the same benefits to all insured persons. The scope of services offered under healthcare insurance and sickness benefits insurance can be adjusted voluntarily to individual requirements.  <b>Healthcare insurance</b> <ul style="list-style-type: none"> <li>Out-patient examinations; treatment and care, including prescribed medication, medical devices and analyses</li> <li>Examinations, treatment and care administered by hospitals to in- and out-patients, as well as the costs of basic room and board for in-patient treatment</li> <li>Contributions toward spa treatment if prescribed by a doctor</li> <li>Patient transfer required for medical reasons</li> <li>Contributions to the cost of care at home that exceeds normal living expenses, insofar as approved by a doctor</li> </ul> <b>Sickness benefits insurance</b> <ul style="list-style-type: none"> <li>In case of full incapacity for work, 80% of the salary subject to AHV contributions drawn hitherto, including any regular supplements</li> <li>Eligibility from the second day of illness if certified by a doctor, incapacity for work of at least 50%</li> </ul> The sickness benefits will be discontinued on: <ul style="list-style-type: none"> <li>recovery of capacity for work</li> <li>disbursement of sickness benefits for at least 720 days within 900 consecutive days</li> <li>receipt of a full retirement pension from retirement and survivors' benefits insurance (AHV)</li> </ul> <b>Maternity</b> <ul style="list-style-type: none"> <li>Entitlement: Membership of a health insurance fund for at least 270 days prior to the confinement, without an interruption of more 3 months</li> <li>Healthcare: Birth assistance by a doctor and midwife, check-ups during pregnancy and within 10 weeks after the confinement, hospital care and treatment of the child for 10 weeks after birth</li> <li>Sickness benefits: Minimum 80% of the salary subject to AHV contributions drawn hitherto, including any regular supplements. Entitlement for a total of 20 weeks, 16 of which are after the confinement</li> </ul>	<b>Insured persons and employers</b> <ul style="list-style-type: none"> <li>Separate contributions for each insurance type (healthcare, sickness benefits, mandatory/voluntary)</li> <li>Healthcare:                             <ul style="list-style-type: none"> <li>Single premium for all insured persons (premiums set by providers)</li> <li>Employer contributions for gainfully employed persons (adults CHF 150.50 / young persons CHF 75.25)</li> </ul> </li> <li>Sickness benefits:                             <ul style="list-style-type: none"> <li>Gainfully employed persons and employers pay half each</li> <li>Supplementary or voluntary coverage (premiums set by providers)</li> </ul> </li> </ul> <b>Cost participation by insured persons</b> <ul style="list-style-type: none"> <li>Mandatory healthcare insurance on attaining age 20</li> <li>Annual rate: CHF 500</li> <li>20% deductible on costs in excess of the annual rate (10% deductible for pensioners)</li> </ul> <b>Government contributions</b> Mainly for insured persons with a low income
<b>Unemployment insurance</b>  <b>ALV</b>	<b>Mandatory insurance</b> <ul style="list-style-type: none"> <li>Persons working for an employer with its registered office or branch office in Liechtenstein</li> <li>Persons employed abroad who have mandatory coverage under Liechtenstein's retirement and survivors' benefits insurance or who are not subject to contributions on account of their age</li> </ul>	<b>Salary subject to contributions</b> <b>Up to max. CHF 126 000 (CHF 10 500 per month) Compensation for reduced working hours</b> 80% of the applicable daily earnings  <b>Unemployment benefit</b> <ul style="list-style-type: none"> <li>Basic benefit: 80% of the applicable daily earnings</li> <li>Reduction: 70% of applicable daily earnings if there are no support obligations, if daily benefits received are over CHF 140, and if there is no disability</li> </ul> Entitlement: <ul style="list-style-type: none"> <li>Maximum of 260 daily benefits: Contribution period of at least 12 months</li> <li>Maximum of 400 daily benefits: Contribution period of at least 18 months and attainment of age 50</li> <li>Maximum of 500 daily benefits: Contribution period of at least 22 months and receipt of a disability (DI) pension; DI disability level of at least 40%</li> <li>Maximum of 130 daily benefits: Persons who are exempted from the contribution period requirement</li> <li>Maximum of 200 daily benefits: Persons who have not yet attained age 25 and have no support obligation for children</li> </ul> <b>Insolvency compensation</b> Coverage of wage claims for the 3 last months of the employment relationship before <ul style="list-style-type: none"> <li>opening of bankruptcy proceedings</li> <li>grant of bankruptcy moratorium</li> <li>refusal of bankruptcy</li> <li>unsuccessful attachment proceedings</li> </ul> Compensation: Max. CHF 10 500 per month or CHF 346 per day (max. salary subject to contributions)  <b>Mandatory employee benefits insurance</b> Insurance against disability and death in the case of total unemployment: Deduction of the contribution to the occupational benefits insurance from the unemployment benefit by the insurance fund, which transfers it to the relevant insurer together with the employer contribution it has to cover	<b>Contribution rates</b> <ul style="list-style-type: none"> <li>1% of salary subject to contributions, max. CHF 1 260</li> <li>Government contributions equal 20% of disbursements per year if the insurance fund's assets are less than twice the total expenditure over the most recent four years.</li> <li>A deficit on the part of the insurance fund is covered up to the level of 20% of disbursements.</li> </ul> <b>Financing</b> <ul style="list-style-type: none"> <li>Employer and employees each pay half</li> <li>Government contributions</li> <li>Investment income</li> </ul>