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lalux⁺
ASSURANCES-VIE



TAX GAINS



TAX GAINS

In Luxembourg, certain insurance premiums are tax deductible and allow you to pay less tax on your income while remaining as well insured as possible.

Each year, the amounts deductible from your premiums are clearly indicated on the tax certificate that LALUX makes available to you free of charge in January.

OUTSTANDING BALANCE DUE INSURANCE

A significant tax gain is possible thanks to the single premium of the **Outstanding Balance Due insurance**, which can be fully deductible depending on your age and family situation, and which covers the loan for the purchase or construction of your principal residence.

MAXIMUM AMOUNTS DEDUCTIBLE FOR SINGLE PREMIUM CONTRACTS

	Until 30 years	from 31 to 49 years included*	50 years and more
Taxpayer	€ 6 000	€ 480	€ 15 600
Taxpayer + 1 child	€ 7 200	€ 576	€ 18 720
Taxpayer + 2 children	€ 8 400	€ 672	€ 21 840
Per additional child	€ + 1 200	€ + 96	€ + 3 120

* Increase per completed year of age in excess of the 30th year at the time of taking out the insurance.

If you and your spouse or partner, taxed collectively, are covered (whether in a single contract or in two contracts), the ceiling on deductible premiums is equal to the sum of the increases determined individually for each (the additional amount per child is, however, granted to only one of the parents).

DEDUCTIBLE PREMIUMS

LIFE, DEATH, DISABILITY, SICKNESS, ACCIDENT, CIVIL LIABILITY INSURANCES (ARTICLE 111 L.I.R.)

The insurance premiums for the following LALUX products are deductible:

- easyPROTECT: Family Civil Liability, Auto Civil Liability and Accident
- Life, death and disability insurance
- Health insurance from DKV Luxembourg

The maximum deductible amount is € 672 per member of the household.

MAXIMUM AMOUNTS DEDUCTIBLE

Marital status	Single	With spouse
Taxpayer	€ 672	€ 1 344
Taxpayer + 1 child	€ 1 344	€ 2 016
Taxpayer + 2 children	€ 2 016	€ 2 688
Per additional child	€ + 672	€ + 672

Farmers, traders, craftsmen, industrialists or members of the liberal professions may benefit from an increase in the **amounts deductible** for sickness or accident insurance up to € 1 500 if these insurance plans provide for the payment of a daily allowance in the event of incapacity for work.

CONDITIONS:

- If a life annuity payment at the end of the contract is provided for, the minimum subscription period must be 10 years.
- If your contract is linked to investment funds:
 - If payment by regular premiums:
 - ◆ The death benefit must correspond to at least 60% of the amount of the regular premiums provided until the end of the contract.
 - ◆ The contract must provide for at least 5 annual premiums.
 - If payment by single premiums, the death benefit must correspond to at least 130% of all premiums paid.

ADVANTAGEOUS TAX SYSTEM:

- The capital paid out under life, death or accident insurance is not taxable as income.

OLD-AGE-PENSION (ARTICLE 111a L.I.R.)

easyLIFE Pension

Prepare your retirement while reducing your taxes – it's possible with easyLIFE Pension.

The maximum deductible amount is € 3 200 per year and per person.

CONDITIONS:

- The minimum duration of the contract must be 10 years.
- The term of the contract must be between the insured person's 60th and 75th year.
- Early repayment of savings accumulated before the age of 60 for reasons other than serious illness or disability leads to a tax adjustment.
- The maximum percentage of equities as underlying assets of the investment funds is limited according to the age of the insured person.
- The taxpayer may have several contracts, but it is not possible to transfer the accumulated savings.

ADVANTAGEOUS TAX SYSTEM:

- If there is an annuity: half is tax-free, the other half is taxable as income.
- If there is paid-up capital: taxation of the capital at half the overall rate.



In the case of collective taxation with the spouse, the deductible amount is calculated individually for each spouse, and the maximum is therefore € 6 400.



An online simulator to estimate your possible tax gain by subscribing to easyLIFE Pension is available on www.lalux.lu/simulator-pension

DOWNLOAD AND DISCOVER THE easyAPP

- Consult the details of your guarantees, check your bonus-malus level
- Declare your claims easily in a few steps
- Download your documents, the General and Special Terms and Conditions and your tax certificate

DEDUCTIBLE PREMIUMS

COMPLEMENTARY PENSION PLAN

Depending on your employment status, the supplementary pension scheme may offer you additional tax deductions.

YOU ARE SELF-EMPLOYED OR WORK IN A LIBERAL PROFESSION AND BENEFIT FROM TO THE APPROVED laLux-Safe Future SUPPLEMENTARY PENSION SCHEME

You are free to determine the amount you wish to pay, or even decide not to pay anything in certain years.

ADVANTAGEOUS TAX SYSTEM:

- Premiums are deductible as special expenses up to a maximum of 20% of net annual income.
- A flat-rate tax of 20.9% on the premiums is provided for. In return, the benefits paid out are not taxed on income in Luxembourg, with the exception of the contribution deduction for long-term care insurance (currently 1.4%).

YOU ARE EMPLOYED AND BENEFIT FROM A SUPPLEMENTARY PENSION SCHEME SET UP BY YOUR EMPLOYER

Under this scheme, you can pay personal contributions.

ADVANTAGEOUS TAX SYSTEM:

- These contributions are tax-deductible up to a maximum of € 1 200 per year. These contributions directly reduce your taxable income. Every month, you therefore benefit from a tax reduction without having to wait for your annual tax returns.
- Benefits paid on maturity are not taxed on income in Luxembourg, with the exception of the contribution for long-term care insurance (currently 1.4%).
- Each year you are free to decide whether or not to pay personal contributions and the amount thereof.



You can supplement the savings plan with **easyLIFE Pension**, the premiums of which are deductible separately.

DISCLAIMER

The information provided only concerns Luxembourg income tax regulations and is of a general nature. LALUX recommends that you consult a tax advisor for a more precise analysis of your situation and your insurances.

DON'T WORRY
be happy

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