



Lifespan Leave-saving plan (*Levensloopregeling*)

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Letter of introduction by the Board of Governors

Dear employee,

From January 1, there will be several changes in the regulations and laws pertaining to you as an employee of the University of Leiden. As you have probably gathered from the media, it took a long time before the details of the changes were clarified, and thus it was difficult to inform you adequately about them before now.

Changes in the health care system. You should have or will soon receive a notice from the health insurance company with which you are registered. Employees who participate in the collective insurance scheme offered by the University of Leiden will receive a notice mailed to their home address. Please note that it is still possible to switch to the collective insurance scheme. Information concerning this will be forthcoming.

Changes in the flexible pension and retirement scheme. Employees affected by this change will be informed by a letter sent to their home address.

*Lifespan leave-saving plan (*Levensloopregeling*).* With this new plan you can buy leisure time to use in specific forms of extra leave or to retire early.

*Save-as-you-earn scheme (*Spaarloonregeling*).* This plan will definitely be continued in 2006 in the same form that it has now.

The last-mentioned plans are independent of each other. Within one calendar year, however, you can only participate in one of the two plans because of the tax benefit that both offer; you must choose, therefore. You can switch from one plan to the other every calendar year. And of course you are not required to participate in either plan.

Due to the many changes that will affect the ordinary citizen, the government has decided to delay the deadline for making a decision between the Lifespan leave-saving plan and the Save-as-you-earn scheme. This temporary provision will probably apply until 1 July 2006. This means that you can choose now or take some more time to make your decision.

If you have any questions, please refer them to the Personnel Department.

Yours sincerely,
the Board of Governors,
Prof. T. van Haften,
Vice-Rector

Information about the Lifespan Leave-saving plan (*Levensloopregeling*)

A little time off in connection with extra leave? For a long trip or early retirement? With the introduction of the Lifespan leave-saving plan – abbreviated to *Lifespan (Levensloop)* - this becomes much easier from 1 January 2006. To be able to finance your leave, you can save every year a maximum of 12% of your gross income up to a maximum of 210% of your gross annual salary. The maximum of 12% does not apply to employees who are aged 50 years on 1 January 2005, but to those who were not yet 55 years old or older. The accumulated credit can



also be used for maternity/paternity leave or career's leave. You can save for Lifespan from your salary, bonuses and gratuities. You can also include the value of 4 days off each year. *The accumulated credit can only be used for extra leave.*

Collective providers

The University has concluded collective agreements with two providers offering Lifespan: ABN-AMRO bank and Loyalis. Both a banking and an insurance product are offered in collective form, which means that you will receive a higher interest on your investment. With ABN-AMRO you can choose from a normal savings account and three investment funds, each with their own individual risk profile. The product offered by Loyalis is a life insurance plan.

Finally, please rest assured that you are not required to participate in this scheme. You are also free to look for another provider.

Benefits of Lifespan

You do not pay tax on the sum that you are setting aside for Lifespan. Those who save receive a reduction of €183 per year of savings on the income tax which must be paid if you take out money to help finance extra leave. When the Lifespan credit is used for maternity/paternity leave, there is an extra tax advantage of about €30 per day.

If you do not use the accumulated credit during your working career, it will be added to your pension.

Lifespan and Save-as-you-earn (*Spaarloon*)

Lifespan and Save-as-you-earn are often compared. The most important similarity between the two plans is that they are savings schemes with tax benefits. The difference is that Lifespan can only be used to save for leave. With Save-as-you-earn there is no restriction on what you use it for. Because of the tax advantages, you are not allowed to participate in both the Save-as-you-earn and the Lifespan schemes in the same calendar year. The government has decided that people who continue with their Save-as-you-earn plan in 2006 can switch later in that year - instead of before the start of 2006- to the Lifespan scheme. This means that you have more time to make a decision about participating in one of the schemes, if at all.

Annuity (*Lijfrente*)

If you are currently using Save-as-you-earn for annuity, then you will have to take into account that in 2006 the annuity deduction for the bridge annuity disappears. For more information about this, please consult your insurer's website.

Information

More detailed information about the Lifespan scheme and about the collective providers of the Lifespan scheme is [available in Dutch](#).

You can also surf to www.abnamro.nl and www.loyalis.nl (both in Dutch), where you will find general information about the Lifespan products offered by them. The offers advertised on their websites can differ from the offer you receive from the University due to the collective aspect.

To prevent the collective providers of the Lifespan scheme from approaching you when you do not want this, a reply coupon has been attached. There you can indicate whether you want to receive information from Loyalis, ABN-AMRO or both. If you do not respond, you will not receive any information from the providers of Lifespan selected by your employer.