

Gateway Policy Explorer: Retirement Series

Austria

Spousal Old-Age Benefit Plan Details

2005-2022

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Preface

This document is intended for researchers who want to understand the evolution of policy or the policy in place at a particular point in time. This document is not intended for financial advice or to aid in decision-making. The authors have made significant effort to identify and collect historical information pertaining to these policies, to accurately represent these policies, and to communicate how policies may interact to determine legal requirements, eligibility for benefits, and/or benefits levels. The policies presented in this document focus on rules applicable to most individuals aged 50 and older from 1992. Many systems include special policies or alternative eligibility rules for specific groups. We encourage all users to complete their own review of literature in this area depending on the research questions they have in mind.

If you have feedback or questions or identify an error, please contact policy@g2aging.org.

Background — Gateway Policy Explorer: Retirement Series

The *Gateway Policy Explorer* (<http://g2aging.org/policy-explorer>) is part of the Gateway to Global Aging Data (<http://g2aging.org>) project. The *Retirement Series* captures historical policy that affects the birth cohorts of respondents in the surveys covered by the Gateway. It was motivated by the rapid evolution of policies affecting older people across the world. As the Health and Retirement Study (HRS) began in 1992 and many of the international network of studies (HRS-INS) cover more than a decade, understanding the policies in place at the time of the survey has become more demanding for researchers.

Why are we tracking past policy? Individuals make choices based on current policies and the outcomes we see today may reflect responses to past policies. When interpreting the survey responses of individuals, an understanding of the policy environment under which those individuals operate is critical. The collection of contextual information in the *Gateway Policy Explorer* aims to support researchers who want to understand or use policy changes in their research and provide context for longitudinal or cross-country differences. Over the period 2023–2026 the *Gateway Policy Explorer* will be expanded to include information on retirement, long-term care, education, and other policies affecting the life cycle.

The key dimensions to the *Gateway Policy Explorer: Retirement Series* are country and time. We prioritize data collection for each country based on its first interview wave and are continuing to expand our data collection back in time to 1992, the earliest survey date in the HRS-INS.

A separate document, like this one, is developed for each country and each broad category of policies covered in the *Gateway Policy Explorer: Retirement Series*.

Author and Contributor Disclaimers

† The opinions expressed here are those of authors and do not necessarily reflect the views of the OECD or of its member countries.

Austria

Spousal Old-Age Benefits
Plan details 2005-2022 * †

The Austrian old-age pension benefit provides lifetime benefits for workers satisfying one of a number of eligibility tracks with specific age and contribution requirements. Prior to 2005, there were no supplementary old-age benefits provided to a parent who is dedicated to child-rearing. Since 2005, parents of common children can transfer partial credits based on voluntary pension splitting for years of child-rearing. This increases the old-age benefits of the parent who is dedicated to child-rearing. Pension splitting is not a very popular option and few people use it.

Key Dates

First law: 2005

Major changes since 2005: 2016

Contents

Chapter 1: Policy enacted 2005-2015	4
Overview	4
Eligibility	4
Benefits	5
Chapter 2: Policy enacted 2016-2022	6
Overview	6
Eligibility	6
Benefits	7
Tables and Formulas	9
Table 1: Increased Full Eligibility Age for Women	9
Sources	10
Glossary of terms	10
Version information	11
Additional resources	11

* If you have questions or suggestions, please contact policy@g2aging.org.

† Detailed information and definitions are provided in tables, formulas and a glossary at the end of this document. To facilitate switching back and forth, this document is designed with hyperlinks. Most PDF readers have shortcuts that permit a reader to return to the previous location after selecting a hyperlink. In Adobe Acrobat on a PC: "Alt" + "←"; In Adobe Acrobat on a MAC: "command" + "←"; In Preview on a MAC: "command" + "[".

Chapter 1: Policy enacted 2005-2015

Overview

The Austrian old-age pension benefit is part of its public pension system. Since the 2005 reform, it is a defined benefit system (DB) based on a person's contribution years and earnings and a person's contributions are recorded in an individual pension account. The General Social Insurance Act (Allgemeines Sozialversicherungsgesetzes, ASVG) and the General Pensions Act (Allgemeines Pensionsgesetzes, APG) form the legal basis of the Austrian public old-age pension system.

There are separate systems for miners, notaries, public employees, and self-employed persons in trade, industry, and agriculture. These include:

- The Commercial Social Security Act (GSVG) regulates the compulsory insurance of the “self-employed”.
- The Freelance Self-Employed Social Insurance Act (FSVG) regulates the health, accident and pension insurance cover of self-employed professionals in Austria, e.g., doctors, pharmacists, civil engineers and patent attorneys.
- The Farmers' Social Insurance Act (BSVG) primarily regulates the social insurance of farmers and their family members.

Before 2005, the Austria old-age pension system did not provide benefits to a worker's spouse based on the worker's earning history, though survivor benefits were available. [The Pension Harmonization Act, Law 142/2004 \(APG\)](#), introduced pension splitting (Pensionssplitting), effective January 1, 2005. Pension splitting applies exclusively to pensioners with pension account which is regulated by APG, i.e., persons born on or after January 1, 1955. The APG forms the legal basis of pension splitting and the Pension Insurance Institution (PVA) serves as the administrative authority.

Under the DB system with pension account, contributions are converted to credits in individual pension accounts. Parents of a common child may transfer credits earned from employment during the first 4 years since the child's birth (extended to 5 years in case of multiple births). Pension splitting aims at reducing the financial loss caused by child-rearing for the parent who is dedicated to raising children. Upon agreement of pension splitting, credits in pension account are transferred, which affects each parent's own benefits and cannot be revoked. Pension splitting is not a very popular option and few people use it.

This document defines spousal benefits in Austria as the pension splitting option.

Eligibility

Are divorced spouses entitled to benefits based on their ex-spouses contribution or earnings history? Answer: Yes

Age requirements to start benefits without penalty

- **Full eligibility age (FEA)**
Age 65 for men; Age 60 for women and gradually increasing starting in 2024 to age 65 by 2033
- **Does FEA vary by sex?** Answer: Yes
- **Does FEA vary by birth year?** Answer: No
- **Details by birth year:** See [Table 1](#) for changes in full eligibility age for women by birth date.

Requirements to be eligible to receive benefit

- **Currently married spouses**
An application must be submitted in writing by the child's 7th birthday
- **Divorced spouses**
An application must be submitted in writing by the child's 7th birthday.

Alternative eligibility requirements that permit starting benefits early, but with a penalty

- **Can an individual start benefits before FEA?** Answer: Yes
- **Earliest eligibility:** Yes. Once credits are transferred, a parent may retire early if they satisfy the age and contribution requirements for one of the early retirement tracks. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional information.
- **See Benefit: Adjustments for starting benefits before FEA (Early claiming or retirement) for details on the penalty applied for claiming at earliest eligibility.**

Benefits

- To receive a benefit, **does an individual have to claim it?** Answer: Yes
- To continue to receive a benefit, **does an individual have to remain qualified?** Answer: No

Payment type

- **Payment options (i.e., Annuity, cash balance, or lump sum):** Annuitable Note: Pension splitting transfers partial credits from one parent to the other, which will change the old-age benefit of both the recipient and provider of the credits being transferred. The own old-age pension is an annuitable benefit.

Factors effecting computation of benefit entitlement

- **Does the formula for computing benefit entitlement differ by birth year?** Answer: No
- **Is the formula for computing benefit entitlement progressive?** Answer: No
- **Does the benefit entitlement depend on the surviving spouse's own contribution/work history?** Answer: Not applicable
- **Does the benefit entitlement depend on the contribution/work history of the deceased spouse?** Answer: Not applicable
- **Are future benefit entitlements adjusted for cost of living?** Answer: Yes
- **If so, what measure is used for adjustment?**
Once credits are transferred, a parent's own benefit is adjusted annually according to the adjustment rules for own old-age benefits.

Benefit formula for claiming at FEA

Upon mutual agreement of pension splitting, the parent who is not dedicated to child-rearing can transfer up to 50% of their credits earned from employment during the first 4 years since the child's birth (extended to 5 years in case of multiple births) to the pension account of the parent who is dedicated to raising children.

Benefits are then calculated according to each parent's own old-age benefit rules reflecting increases or decreases due to pension splitting. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional information on the computation the APG benefits.

Adjustments for starting benefits before FEA (Early claiming or retirement)

- **Are benefits reduced for starting benefits before FEA?** Answer: Yes
- **Is so, what is the earliest eligibility?**
Yes. Once credits are transferred, a parent may retire early if they satisfy the age and contribution requirements for one of the early retirement tracks. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional information.
- **Adjustment formula**
Once credits are transferred, a parent may face deductions in their own old-age benefit due to early retirement. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.

Adjustments for starting benefits after FEA (Delayed claiming or retirement)

- **Are benefits increased for starting benefits after FEA?** Answer: Yes
- **If so, what is the latest claiming age where benefits are adjusted?** Answer: Age 68 for men and age 63 for women
- **Adjustment formula**
Once credits are transferred, a parent may increase their own old-age benefit by delaying retirement. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.

Adjustments for starting benefits and continuing to work (Earnings Test)

- **Are benefits reduced or eliminated while working?** Answer: Yes
- **Adjustment formula**
Once credits are transferred, a parent may lose entitlement to their own old-age benefit by continuing to work, depending on [eligibility tracks](#). Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.
- **If benefits are reduced while working, does it effect future benefits?** Answer: Yes
- **If so, how does claiming and continuing to work affect future benefits?**
Contributions during cessation of old-age benefit entitlement accumulate and increase future benefits. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.

Chapter 2: Policy enacted 2016-2022

Policy change in 2016

Law 29/2017, effective January 1, 2017, made three substantial changes to pension splitting:

- Instead of the first 4 years since a common child's birth (up to 5 years in case of multiple births), credits earned from employment during the first 7 years can be transferred
- A maximum of 14 years of credits can be transferred
- Application must be submitted by 10 years since a child's birth instead of 7 years

Overview

The Austrian old-age pension benefit is part of its public pension system. Since the 2005 reform, it is a defined benefit system (DB) based on a person's contribution years and earnings and a person's contributions are recorded in an individual pension account. The General Social Insurance Act (Allgemeinen Sozialversicherungsgesetzes, ASVG) or the General Pensions Act (Allgemeinen Pensionsgesetzes, APG) forms the legal basis of the Austrian public old-age pension system.

There are special/separate systems for miners, notaries, public employees, and self-employed persons in trade, industry, and agriculture. These include:

- The Commercial Social Security Act (GSVG) regulates the compulsory insurance of the "self-employed".
- The Freelance Self-Employed Social Insurance Act (FSVG) regulates the health, accident and pension insurance cover of self-employed professionals in Austria, e.g., doctors, pharmacists, civil engineers and patent attorneys.
- The Farmers' Social Insurance Act (BSVG) primarily regulates the social insurance of farmers and their family members.

The General Pensions Act (APG), effective since January 1, 2005, forms the legal basis of pension splitting and the Pension Insurance Institution (PVA) serves as the administrative authority for pension splitting within APG. Under the DB system with pension account, contributions are converted to credits in individual pension accounts. Parents of a common child have the option to transfer up to 50% of partial credits earned from employment during the first 7 years since the child's birth, with a maximum of 14 years. Pension splitting aims at reducing the financial loss caused by child-rearing for the parent who is dedicated to raising children. Upon agreement of voluntary pension splitting, partial credits in pension accounts are transferred, which affects each parent's own benefits and cannot be revoked. Pension splitting is not a very popular option and few people use it.

This document defines spousal benefits in Austria as the pension splitting option.

Eligibility

Are divorced spouses entitled to benefits based on their ex-spouses contribution or earnings history? Answer: Yes

Age requirements to start benefits without penalty

- **Full eligibility age (FEA)**
Age 65 for men; Age 60 for women and gradually increasing starting in 2024 to age 65 by 2033
- **Does FEA vary by sex?** Answer: Yes
- **Does FEA vary by birth year?** Answer: No
- **Details by birth year:** See [Table 1](#) for changes in full eligibility age for women by birth date.

Requirements to be eligible to receive benefit

- **Currently married spouses**
An application must be submitted in writing by the child's 10th birthday. If the births of the last two common children are not more than 10 years apart, the application period extends to the 10th birthday of the last common child
- **Divorced spouses**
An application must be submitted in writing by the child's 10th birthday. If the births of the last two common children are not more than 10 years apart, the application period extends to the 10th birthday of the last common child

Alternative eligibility requirements that permit starting benefits early, but with a penalty

- **Can an individual start benefits before FEA?** Answer: Yes

- **Earliest eligibility:** Yes. Once credits are transferred, a parent may retire early if they satisfy the age and contribution requirements for one of the early retirement tracks. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional information.
- **See Benefit: Adjustments for starting benefits before FEA (Early claiming or retirement)** for details on the penalty applied for claiming at earliest eligibility.

Benefits

- **To receive a benefit, does an individual have to claim it?** Answer: Yes
- **To continue to receive a benefit, does an individual have to remain qualified?** Answer: No

Payment type

- **Payment options (i.e., Annuity, cash balance, or lump sum):** Annuitable Note: Pension splitting transfers partial credits from one parent to the other, which will change the old-age benefit of both the recipient and provider of the credits being transferred. The own old-age pension is an annuitable benefit.

Factors effecting computation of benefit entitlement

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- **Is the formula for computing benefit entitlement progressive?** Answer: No
- **Does the benefit entitlement depend on the surviving spouse's own contribution/work history?** Answer: Not applicable
- **Does the benefit entitlement depend on the contribution/work history of the deceased spouse?** Answer: Not applicable
- **Are future benefit entitlements adjusted for cost of living?** Answer: Yes
- **If so, what measure is used for adjustment?**
Once partial credits are transferred, a parent's own benefit is adjusted annually according to the adjustment rules for own old-age benefits.

Benefit formula for claiming at FEA

Upon mutual agreement of pension splitting, the parent who is not dedicated to child-rearing can transfer up to 50% of their credits earned from employment during the first 7 years since the child's birth to the pension account of the parent who is dedicated to child-rearing. The number of pension credits that can be transferred differs by time period:

- Before 2017: No limit
- Since 2017: Maximum 14 years of partial credits can be transferred

Benefits are then calculated according to each parent's own old-age benefit rules reflecting increases or decreases due to pension splitting. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional information on the computation the APG benefits.

Adjustments for starting benefits before FEA (Early claiming or retirement)

- **Are benefits reduced for starting benefits before FEA?** Answer: Yes
- **Is so, what is the earliest eligibility?**
Yes. Once credits are transferred, a parent may retire early if they satisfy the age and contribution requirements for one of the early retirement tracks. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional information.
- **Adjustment formula**
Once credits are transferred, a parent may face deductions in their own old-age benefit due to early retirement. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.

Adjustments for starting benefits after FEA (Delayed claiming or retirement)

- **Are benefits increased for starting benefits after FEA?** Answer: Yes
- **If so, what is the latest claiming age where benefits are adjusted?** Answer: Age 68 for men and age 63 for women
- **Adjustment formula**
Once credits are transferred, a parent may increase their own old-age benefit by delaying retirement. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.

Adjustments for starting benefits and continuing to work (Earnings Test)

- **Are benefits reduced or eliminated while working?** Answer: Yes

- **Adjustment formula**

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- **If benefits are reduced while working, does it effect future benefits?** Answer: Yes

- **If so, how does claiming and continuing to work affect future benefits?**

Contributions during cessation of old-age benefit entitlement accumulate and increase future benefits. Please refer to the policy document on *Austria Public Own Old-Age Benefit Plan Details* for additional detail.

Tables and Formulas

Table 1: Increased Full Eligibility Age for Women

Birth Date	Full Eligibility Age
From Jun 2, 1968	65
Dec 2, 1967 - Jun 1, 1968	64.5
Jun 2, 1967 - Dec 2, 1967	64
Dec 2, 1966 - Jun 1, 1967	63.5
Jun 2, 1966 - Dec 1, 1966	63
Dec 2, 1965 - Jun 1, 1966	62.5
Jun 2, 1965 - Dec 1, 1965	62
Dec 2, 1965 - Jun 1, 1965	61.5
Jun 2, 1964 - Dec 1, 1964	61
Dec 2, 1963 - Jun 1, 1964	60.5
Before Dec 2, 1963	60

Source: Federal constitutional law on different age limits for male and female socially insured taxpayers ([Bundesgesetzblatt, 1992](#))

Sources

This section records key sources consulted when we collected the institutional details reported in this document. Archived versions of these sources are available at the Gateway Policy Explorer website (<http://g2aging.org/policy-explorer>).

Bundesgesetzblatt (1955). Bundesgesetz vom 9. September 1955 über die Allgemeine Sozialversicherung (Allgemeines Sozialversicherungsgesetz – ASVG.) [Federal Law of September 9, 1955 on General Social Insurance (General Social Insurance Law – ASVG.)], Federal Law Gazette Part 1, No. 189/1955. Available in German only. As of July 26, 2022. [\[Link\]](#)

Bundesgesetzblatt (2004). Allgemeines Pensionsgesetz - APG [The General Pensions Act], Federal Law Gazette Part 1, No. 101/2004. Available in German only. As of July 26, 2022. [\[Link\]](#)

Bundesgesetzblatt (1992). Bundesverfassungsgesetz über unterschiedliche Altersgrenzen von männlichen und weiblichen Sozialversicherten [Federal constitutional law on different age limits for male and female socially insured taxpayers], Federal Law Gazette No. 832/1992. Available in German only. As of July 26, 2022. [\[Link\]](#)

Bundesgesetzblatt (2004). Pensionsharmonisierungsgesetz [Pension Harmonization Act], Federal Law Gazette Part 1, No. 142/2004. Available in German only. As of July 26, 2022. [\[Link\]](#)

Bundesgesetzblatt (2017). Sozialversicherungs-Änderungsgesetz 2016 – SVÄG 2016 [Social Security Amendment Act 2016 - SVÄG 2016], Federal Law Gazette Part 1, No. 29/2017. Available in German only. As of July 26, 2022. [\[Link\]](#)

Glossary of terms

This section summarizes key definitions from the main text. To facilitate switching back and forth, this document is designed with hyperlinks. Most PDF readers have shortcuts that permit a reader to return to the previous location after selecting a hyperlink. In Adobe Acrobat on a PC: “Alt” + “←”; In Adobe Acrobat on a MAC: “command” + “←”; In Preview on a MAC: “command” + “[”.

Annuitable System: A pension system that provides a periodic payment for life after the benefit begins.

APG: General Pensions Act (Allgemeines Pensionsgesetzes, APG) is the act that governs benefits for Class 2 and Class 3 works from 2005 and provides benefits under a DB system.

ASVG: General Social Insurance Act (Allgemeines Sozialversicherungsgesetzes, ASVG) is the main act that governs benefits prior to 2005 and provides benefits under a DB system.

Cash Balance System: A pension system that provides each individual an account that is drawn down over time.

Claimable Benefit: A pension where the beneficiary must actively file a claim for benefits with the government’s pension authority.

Cost-of-Living Adjustments (COLA): Adjustments after an individual begins receiving benefits that increase benefit payments, typically in line with consumer prices or average earnings.

Defined Benefit system (DB): An old-age benefit system where a worker’s benefits paid at retirement are based on a defined formula typically consisting of contribution years, a measure of final average earnings and a multiplier (sometimes known as an accrual factor).

Earliest eligibility: Earliest age and/or years of contributions required to be eligible to start receipt of a particular type of benefit. Earliest eligibility is the same as statutory eligibility in countries where there is no benefit penalty for claiming before the statutory retirement age.

Eligibility Track: Requirements for an individual to start receiving an unreduced old-age pension benefit. An individual typically must satisfy only one eligibility track.

Full Eligibility Age: The age at which individuals are eligible to receive their full benefit. For dependent benefits or social assistance, the full eligibility age may differ from the statutory retirement age for own old-age pension benefits.

Latest claiming age: Latest age where a benefit may be claimed such that benefit payments are increased as an incentive for delaying the start of benefits past the statutory retirement age. Latest claiming age is the same as statutory retirement age in countries where

there is no benefit to delayed claiming. Not applicable for non-claimable benefits.

Lump Sum Benefit: A pension system that provides an individual with a one-time or limited number of payments. Lump sum benefits are distinct from annuitable or cash balance benefits because they do not continue past a specified time frame. Lump sum benefits use varies by country, but they are sometimes used as death benefits, incentives to delay claiming, or payments to individuals with an insufficient contribution history to be eligible for annuitable benefits.

National Income Measure: In some pension systems, the benefit is dependent on a national income measure, such as average wages. We indicate a pension system depends on the national income measure if the benefit paid is determined by a national income measure (as opposed to an individual's earnings history). For example, the benefit level for the United Kingdom Basic State Pension depends on a level set by the government and does not depend on an individual's earnings. This distinction does not include systems that adjust annual benefits based on a national income measure or index past earnings using a national income measure.

Progressive Benefit: A benefit is progressive if people with lower earnings have a greater replacement rate for their contributions.

PVA: Pension Insurance Institution (Pensionsversicherungsanstalt, PVA) is one of five pension institutions responsible for administering social insurance. PVA is the largest insurance provider for all employees (i.e., workers that are not self-employed). Old-age benefits within ASVG are administered by PVA.

Qualified Benefit: A benefit is qualified if an individual must continue to meet certain standards, such as a means test, to continue receipt of benefits.

Statutory Retirement Age (SRA): The age at which individuals are eligible to receive their full benefit. In the United States, this is known as the normal retirement age. In the United Kingdom, this is known as the state pension age.

Version information

Current Version: 1.1 (August 2023)

Version History

- 1.0 (June 2022): First version
- 1.1 (August 2023): Updated formatting and terminology

Additional resources

The following resources provide additional details for the interested reader:

Arbeit und Pension [Work and Retirement in Austria].

Available at: https://www.oesterreich.gv.at/themen/arbeit_und_pension.html

Features: Provides summary and details of current version of Austria pension insurance laws.

Other papers of interest include:

- OECD (2019). Pensions at a Glance: Country Profiles- Austria.
Available at: <https://www.oecd.org/els/public-pensions/PAG2019-country-profile-Austria.pdf>
- Austria Federal Ministry of Finance (2018). Austrian Country Fiche on Public Pensions.
Available at: https://ec.europa.eu/info/sites/default/files/economy-finance/final_country_fiche_at.pdf