TFR

Choose **today**
thinking of **tomorrow**

Today, workers can join supplementary pension funds in order to guarantee themselves sufficient pensions when they retire.
TFR is the end-of-service allowance or severance pay accumulated by keeping aside part of the employee's gross salary each year.
Each year, 6,91% of the worker's annual salary is kept aside by the employer and the previously saved amount is re-evaluated at 1,5% rate plus the 75% of the inflation rate.
From 1st January 2007, each subordinate worker (except domestic workers) can choose whether to invest the future amounts of TFR into a supplementary pension fund or to entrust it to the employer.
Workers hired before 31st January 2006 must decide where to invest their TFR by 30th June 2007, while those hired from 1st January 2007 must decide within six months.
The decision on where to invest the TRF must be made by filling in *Moduli* TFR1 or TFR2 (explicit decision) attached to the Decree of Ministry of Labour dated 30th January 2007. The worker must fill them in, undersign and give them to the employer. If a worker fails to do this, the 'tacit consent principle' will be applicable and the will transfer the TFR to a pension fund (tacit decision).
If a worker wants to retain his/her TFR within the company, nothing will change for companies with less than 50 employees. In firms with more than 50 employees, the TFR left within the company will be forwarded to a Treasury Fund at INPS under the same previous terms of re-evaluation and possibility of obtaining advance payment of TFR.

PLEASE REMEMBER THAT

The implicit or explicit decision to invest TFR into a supplementary pension fund only concerns the future TFR.

Moduli TFR1 & TFR2 are attached to the Decree of Ministry of Labour dated 30th January 2007, and are available on the website www.tfr.gov.it.

For further information:
Toll free number: 800.196.196
www.tfr.gov.it
www.lavoro.gov.it
www.covip.it
www.inps.it