

Consolidation Act on Social Pensions

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Consolidation act no. 42 of 28 January 2004

Consolidation Act on Social Pensions

Part 1

General conditions, etc.

1. For the purposes of this Act pension means old-age pension, anticipatory pension and supplements and allowances payable under Parts 2 and 11, below.

Citizenship

2(1). Entitlement to a pension shall be subject to the recipient being a Danish national.

(2). Provided that subsection (1) hereof shall not apply to:

(i) persons who have been permanently resident in Denmark for a period of not less than 10 years between the ages of 15 and 65, of which not less than five years immediately prior to the date on which the pension is first payable. Where an application is submitted after the 65th birthday, the conditions as to residence must have been complied with by the applicant's 65th birthday.

(ii) non-nationals who have been granted residence permit in Denmark under section 7 or section 8 of the Aliens Act.

(3). The Minister for Social Affairs is authorised to lay down regulations governing the extent to which officials posted to diplomatic or consular missions in Denmark and the members of their families may be eligible for benefits under this Act.

Residence

3(1). Entitlement to a pension shall be subject to the recipient being permanently resident in Denmark or serving on board a Danish vessel.

(2). Provided that this shall not apply to Danish citizens over 65 who have been permanently resident in Denmark for a period of not less than 30 years between the ages of 15 and 65.

(3). Danish citizens who take up residence in another country after having been awarded a pension will retain their pension entitlement if they have been permanently resident in Denmark for a period of not less than 10 years after the age of 15, or for not less than 1/4 of the time from the age of 15 to the date on which the pension is first payable. The condition as to residence under the first sentence hereof must have been complied with immediately before the date on which the pension is first payable. Where an application is submitted after the age of 65, the condition as to residence must be complied by the applicant's 65th birthday.

(4). Where warranted by special circumstances, the Director of the National Social Security Agency may permit that pension entitlement be retained in respect of persons taking up residence in another country after having been awarded a pension.

(5). Entitlement to receive a pension abroad under subsections (2), (3) and (4) hereof shall apply to the basic amount of the old-age pension, anticipatory pension amount and to any supplements and allowances under sections 14 and 69-72, below.

3 a(1). Non-nationals covered by section 2(2)(ii) hereof who take up residence in their country of origin or their former country of residence after having been awarded old-age pension will remain entitled to the basic amount of old-age pension as assessed according to the period of residence in Denmark, cf. section 5, below.

(2). This will apply equally to non-nationals covered by section 2(2)(i) who hold a residence permit under the Aliens Act in pursuance of

(i) section 9 b;

(ii) section 9 c(1), following upon a residence permit under section 9 b;

(iii) section 9(1)(i) or (ii), due to a connection with a person holding a residence permit as set out in subsections (1) and (2)(i) and (ii) hereof;

(iv) section 9 c(1), where the permit has been granted to persons over 18 whose father or mother has been granted a residence permit as set out in subsection (1) hereof;

(v) section 9 c(1), where the permit has been granted to a spouse or a child of a person holding a residence permit as set out in paragraph (i) or (ii);

(vi) section 9 c, where the permit has been granted to an alien seeking asylum; and

(vii) section 9 c(1), where the permit has been granted as a result of a connection with a minor non-citizen seeking asylum who has been granted a residence permit under section 7 or 9 c of the Aliens Act.

The entitlement of the persons referred to in subparagraphs (iii)-(v) and (vii) to retain the pension shall be subject to their return to their country of origin or their former country of residence together with the person with whom they are connected through the family ties on the basis of which the residence permit was granted.

4. Pension entitlement shall be subject to permanent residence in Denmark for a period of not less than three years between the ages of 15 and 65.

Qualifying period

5(1). For persons over 65 entitlement to pension at the full rate shall be subject to permanent residence in Denmark for a period of not less than 40 years.

(2). Where the criterion set out in subsection (1) hereof is not complied with, the amount of pension payable will be assessed according to the ratio between the period of residence and the period of 40 years.

(3). Where a recipient of anticipatory pension is awarded old-age pension from the age of 65, the pension will be payable by the same number of fortieths as was used in the calculation of the anticipatory pension.

6(1). For persons under the age of 65 entitlement to pension at the full rate shall be subject to a period of residence equivalent to not less than 4/5 of the years between the 15th birthday and the date on which the pension is first payable.

(2). Where the condition for pension at the full rate as set out in subsection (1) hereof is not complied with, the amount of pension payable will be assessed according to the ratio between the period of residence and 4/5 of the years between the 15th birthday to the date on which the pension is first payable. The fraction of the pension at the full rate thus calculated shall be reduced to the nearest number of fortieths of the pension at the full rate.

7. In the calculation of a pension payable by a number of fortieths of pension at the full rate in pursuance of sections 5(2) and 6(2), above, the full rate shall first be calculated by applying the rules set out in Parts 4 and 4 a. The pension amount thus calculated shall then be reduced to the number of fortieths calculated. Any supplement payable under sections 14 and 14 a shall not be so reduced.

Calculation of residence periods, etc.

8. In the calculation of periods of residence under the provisions of sections 3, 4, 5 and 6

(i) service on board a Danish vessel

(ii) residence abroad as a representative of a Danish public authority

(iii) residence abroad as otherwise serving Danish interests and

(iv) residence abroad as employed in any branch or subsidiary of a Danish business

(v) residence abroad for education and training

shall likewise be deemed to constitute residence in Denmark.

9(1). In the calculation of the period of residence of a person covered by section 2(2)(ii), above, the period of residence in the country of origin shall likewise be deemed to constitute residence in Denmark. The same shall apply to any other country where the person in question has been resident on conditions equalling those set out in section 7 of the Aliens Act. The provisions of the first and second sentences hereof shall apply, whether or not the person in question will be granted Danish nationality.

(2). Subsection (1) hereof shall apply only as long as the person in question is permanently resident in Denmark.

(3). Subsection (1) hereof shall not apply to periods in respect of which pension entitlement has been acquired in the country of origin and any other country as described in subsection (1) hereof.

10. In the calculation of the period of residence, only periods between the ages of 15 and 65 shall be taken into account. Several periods of residence shall be added together, and the aggregate period of residence shall be reduced to the nearest number of whole years. In the calculation of the ratio referred to in section 6(2), above, the periods shall be reduced to the nearest number of whole months.

11(1). In pursuance of agreements concluded with other states, the Minister for Social Affairs is authorised to lay down provisions on exemptions from the rules on nationality, residence and qualifying period.

(2). The Minister for Social Affairs shall lay down provisions providing for derogation from the provisions of the Act as and where necessary for the implementation of the EC Regulations on social security for migrant workers, etc.

Part 2

Old-age pension

12. From the age of 65 a person may be eligible for old-age pension, which consists of a basic amount and a pension supplement.

13. Applications for old-age pension shall be submitted to the local council. The local council shall give notice of entitlement to old-age pension well in advance of the 65th birthday of any future pensioner.

Personal allowance and health allowance

14(1). Personal allowance may be paid to old-age pensioners whose financial situation is particularly difficult. The local council shall base its decision on a specific and individual assessment of the pensioner's financial situation.

(2). A personal allowance shall be granted towards payment of heating expenses. The Minister for Social Affairs shall lay down regulations to that effect, including regulations providing for the pensioner's own share of expenses. The Minister for Social Affairs shall further lay down regulations allowing local councils to grant a special heating allowance at a higher rate than the amount assessed under the provisions of the second sentence hereof.

(3). In addition to the personal allowance payable under subsection (2) hereof, old-age pensioners shall, irrespective of their financial situation, also be paid a supplement towards expenses for paraffin where paraffin in containers holding a maximum of 10 litres is the indispensable type of heating for their dwelling. The supplement is equal to the amount of duty payable in respect of paraffin in pursuance of the Act on Energy Tax on Mineral Oil Products, etc. and the Act on Carbon Dioxide Tax on Certain Oil Products plus value added tax, and shall be granted for a maximum of 2,000 litres of paraffin in containers per year per household.

(4). Personal allowances granted under subsections (1)-(3) shall not be payable earlier than with effect from the time when the old-age pension has been awarded, cf. section 12, above.

14 a(1). A health allowance shall be granted towards payment of the pensioner's own expenses in relation to services subsidised by the National Health Service in pursuance of the Act on National Health Service, but cf. subsection (2). The allowance shall be calculated on the basis of 85 per cent of the pensioner's own share of expenses.

(2). A health allowance shall not be granted towards payment of the pensioner's own expenses for services under sections 6(4), 8 a and 17 of the Act on National Health Service.

(3). For pensioners who have chosen insurance form 2 (group 2 insureds) in pursuance of the Act on National Health Service, a health allowance shall be granted towards payment of expenses under sections 8 and 9 of the Act on

National Health Service corresponding to the amount that would have been granted had the pensioner chosen insurance form 1 (group 1 insured).

(4). In addition, a health allowance shall be granted towards payment of the pensioner's own expenses in relation to dental prostheses, glasses and chiropody if the local authority assesses the relevant expense to be necessary. The allowance shall be calculated on the basis of 85 per cent of the pensioner's own share of expenses. The local authority may enter into price agreements with suppliers of dental prostheses, glasses and chiropody, and the agreed price shall be used as the basis for calculating the health allowance. The pensioner is free to choose a supplier other than the supplier(s) with whom the local authority has concluded a price agreement. If the local authority has not concluded a price agreement, the health allowance shall be calculated on the basis of the actual price of the necessary expense.

(5). The Minister for Social Affairs is authorised to lay down rules governing health allowances, including the types of expenses comprised by subsection (4) hereof.

14 b(1). A health allowance under section 14 a shall not be granted if the total available property of the pensioner and his/her spouse or cohabiting partner, if applicable, exceeds the property limit, cf. section 49(1)(vii), below.

(2). Available property includes the following items:

- (i) cash deposits with banks, etc.;
- (ii) the market price of bonds;
- (iii) deposited securities;
- (iv) the market price of deposited listed shares;
- (v) the market price of unit trust certificates;
- (vi) cash; and
- (vii) other securities, including foreign securities.

(3). In order to calculate the property under subsection (2), first the values listed under subsection (2)(i)-(v) are added together. Where the total amount thereof does not exceed the property limit, cf. section 49(1)(vii), the items under subsection (2)(vi) and (vii) are added as well.

14 c(1). The property calculated in pursuance of section 14 b shall not include compensation for loss of working capacity paid as the result of personal injury under

- (i) the Act on Compensation from the State for Victims of Crimes;

- (ii) the Act on Liability for Damages;
 - (iii) the Act on the Protection against the Consequences of Industrial Injuries;
 - (iv) the Act on Compensation for Vaccination Injuries;
 - (v) the Act on Insurance for Patients;
 - (vi) the Act on Pharmaceutical Injuries;
 - (vii) circular on the Government's compensatory schemes for participants in practical vocational guidance;
 - (viii) the Act on Compensation for Injured National Servicemen etc.; or
 - (ix) regulations for the Employment and Remuneration of Staff Employed on a Contract Basis with the Emergency Management Corps in Connection with Humanitarian Relief Work.
- (2). Nor shall property due to amounts paid as compensation for permanent injury and non-financial damage be included.
- (3). Nor shall compensation and return on such compensation to HIV-infected haemophiliacs, etc. and to HIV-positive transfusion-infected persons as well as compensation and return on such compensation, cf. the Act on Compensation in Respect of Injuries Caused by LSD Treatment, be included in the calculation of property.
- (4). Finally, compensatory payments from abroad equivalent to the compensatory payments set out under subsections (1)-(3) shall not be included.

Means testing

15(1). The basic amount payable to old-age pensioners shall not be reduced in case of any income other than income from work, cf. section 27, below.

(2). Pension supplements, personal allowances provided for under section 14(2), above, and health allowances provided for under section 14 a shall be reduced in case of any income in pursuance of section 29, below.

Part 3

Anticipatory pension

16(1). Persons between the ages of 18 and 65 may be eligible for anticipatory pension.

(2). The award of anticipatory pension is subject to:

(i) the applicant's working capacity being permanently reduced; and

(ii) the reduction being so severe that the applicant, notwithstanding the possibilities of support under the social security and other legislation, including employment in a flexible working arrangement, will be unable to provide for him or herself by means of a remunerated job.

17(1). In considering any application for anticipatory pension the local council shall have regard to all opportunities available for granting assistance under the social security legislation, cf. Part 5 of the Act on Legal Protection and Administration in Social Matters. Applicants wishing that the local council only considers the question of anticipatory pension may submit a request to that effect. In that case the local council shall decide that, on the basis of the existing documentation, the matter will be considered in accordance with the rules on anticipatory pension.

(2). The local council may of its own motion commence a case or decide to award anticipatory pension to a person who has not applied.

18. The local council shall decide that the matter is to be considered in accordance with the rules on anticipatory pension when it has been substantiated or, on the basis of special circumstances, it is quite obvious that the applicant's working capacity cannot be improved by

means of activation, rehabilitation, treatment or any other measures.

19(1). A decision to award anticipatory pension shall be based on:

(i) an account explaining that the working capacity cannot be improved;

(ii) an account of the applicant's resources and the prospects of using and developing such resources. The account shall be prepared in collaboration with the applicant, and the applicant's own view of his/her situation shall be expressly stated therein;

(iii) a professional explanation as to why the applicant's working capacity is considered to be permanently reduced;

(iv) a professional explanation as to why the applicant's working capacity is insufficient for the applicant to provide for him or herself, notwithstanding the possibilities of support under the social security and other legislation; or

(v) an indication of one or more specific job functions that the applicant is considered to be able to perform with his/her reduced working capacity.

(2). The Minister for Social Affairs shall lay down rules governing the assessment of working capacity as well as the case work and procedure to be followed in connection with the commencement and consideration of applications for anticipatory pension.

20(1). The local council shall decide to award an anticipatory pension when, on the basis of an overall professional assessment of the information available, it has been substantiated that the applicant will not be able to support him or herself, cf. section 16, above. The local council may also decide to reconsider an application at a later date.

(2). The local council shall refuse to award an anticipatory pension when, on the basis of an overall professional assessment of the information available, it has been substantiated that the applicant may become able to support him or herself by performing work functions, either directly or as a result of specific measures taken, cf. section 16, above.

(3). Prior to the decision on anticipatory pension being made, the person concerned by the decision shall be invited to participate in a meeting where he/she may present his/her views to the person(s) making such decision.

21. The local council shall make its decision within three months of the date on which the application was first considered in accordance with the rules on anticipatory pension, cf. section 17(1), third sentence, and section 18. The said date shall appear from the case file and be communicated to the applicant. Where any such decision in special cases cannot be made within the time limit, the applicant shall receive a detailed account of the cause(s) of the delay and an indication of the time when a result may be expected.

Means testing

21 a. The anticipatory pension amount shall be reduced due to income falling under section 32 a, below.

22-26. (Repealed).

Part 4

Calculation of old-age pension

Income basis

27(1). For old-age pensioners, the income basis for entitlement to the basic amount shall be calculated according to the earned income of the pensioner in question. The Minister for Social Affairs is authorised to lay down regulations governing the assessment of such earned income.

(2). The relevant accounting period for the assessment of the income basis in accordance with subsection (1) hereof shall be the income year most recently completed. The income basis shall be applied with effect from the second calendar year after the end of the income year.

(3). In the assessment of the income basis in accordance with subsections (1) and (2) hereof, the personal income included in the income basis shall be adjusted according to the rules governing advance tax assessment on the

basis of the latest final tax assessment under the Act on the Levying of Personal Income and Wealth Tax, etc. (tax at source).

(4). The amount of income shall be rounded down to the nearest amount divisible by 100.

(5). The assessed income shall be reduced by a certain amount, cf. section 49(1)(ii), below.

28. (Repealed).

29(1). The income basis for pension supplements, personal allowances under section 14(2) and health allowances under section 14 a shall be calculated on the basis of the total income of the pensioner and his/her spouse or cohabiting partner, if applicable. The income basis shall be assessed as follows:

(i) Personal income, including any positive unearned income, that is applied for the purpose of calculating income tax in pursuance of section 7 of the Act on Personal Taxes, but before the basic allowance specified therein, and any equity shares income taxable under section 8 a(1) and (2) of the said Act, other than income from dividends up to DKK 5,000 from which final dividend tax has been withheld.

(ii) The accounting period for the income basis under paragraph (i) hereof shall be the most recently ended income year. The income basis shall be applied with effect from the second calendar year after the end of the income year.

(iii) In the assessment of the income basis in pursuance of paragraphs (i) and (ii) hereof, the personal income included in the income basis shall be adjusted according to the rules governing advance tax assessment on the basis of the latest final tax assessment under the Act on the Levying of Income Tax and Local and County Property Value Tax for Persons etc. (tax at source).

(2). Cohabiting partners of which one or both were receiving a social pension before 1 March 1999 shall be considered as single persons for the purpose of income basis assessment under subsection (1) hereof unless they enter into another such relationship after 1 March 1999.

(3). The Minister for Social Affairs shall lay down rules governing the inclusion in the income basis under subsection (1) hereof of any incomes not taxable in Denmark and incomes comprised by section 33 C of the Tax Assessment Act.

(4). The following deductions shall be made from the income basis under subsections (1) and (3) hereof:

(i) Deductions in respect of taxable social pensions and deductions in respect of taxable pensions payable in pursuance of the relevant legislation of any

other EU/EEA Member State and governed by and calculated on the basis of Regulation (EEC) 1408/71, and in respect of pensions payable under the relevant legislation of any other country with which an agreement on the coordination of pensions has been concluded. The Minister for Social Affairs shall lay down rules governing deductions in respect of any pensions as described in the first sentence of this paragraph (i) which are not taxable in Denmark.

(ii) Deductions in respect of support on early retirement according to the Acts on Support on Early Retirement from Farming and on Support on Early Retirement from Fishing.

(iii) Deductions in respect of dependant's allowance under section 85 a of the Act on an Active Social Policy.

(5). In the assessment of the income basis for the calculation of the pension supplement of a pensioner who is married to or cohabits with a person who is not receiving a social pension, an amount shall be deducted from that part of the income of the spouse or the cohabiting partner that forms part of the income basis, cf. section 49(1)(iv). The amount specified in the first sentence shall as a minimum correspond to the income of the spouse or the cohabiting partner where such income is earned income, partial pension, cash benefit, sickness benefit, unemployment benefit, unemployment allowance, voluntary early retirement pay, transitional benefit or flexible allowance not exceeding DKK 10,000.

(6). The income assessed shall be rounded down to the nearest amount divisible by 100.

(7). An amount shall be deducted from the assessed income when pension supplements are calculated, cf. section 49(1)(v).

(8). An amount shall be deducted from the assessed income when personal allowances or health allowances are calculated, cf. section 49(1)(vi).

29 a(1). Property as defined in sections 14 b and 14 c shall be calculated in pursuance of section 14 a when an application for health allowance is submitted.

(2). Property as defined in section 14 b(2)(i)-(v) shall be calculated at the time when the person applies for the health allowance on the basis of the information most recently reported to the tax authorities, cf. Title II of the Act on Tax Control. Where material changes have taken place which may affect the payment of the health allowance, the property shall be calculated on the basis of current information on the property provided by the pensioner and his/her spouse or cohabiting partner, if applicable.

(3). Property as defined in section 14 b(2)(vi) and (vii) shall be calculated on the basis of the information provided by the pensioner and his/her spouse or cohabiting partner, if applicable, at the time when the pensioner applies for the health allowance.

30. The amount of the first pension shall be assessed on the basis of the expected future income calculated in pursuance of sections 27-29, above.

Reduction of pension

31(1). The basic amount for old-age pensioners shall be reduced by 30 per cent of the income basis, cf. section 27, above.

(2). The pension supplement shall be reduced by 30 per cent of the income basis, cf. section 29, above, but by 15 per cent where the pensioner's spouse or cohabiting partner also qualifies for social pension.

(3). The personal allowance payable under section 14(2) and the health allowance payable under section 14 a, above, shall be reduced according to the personal allowance rate. The personal allowance rate shall be calculated on the basis of the income assessed under section 29. The personal allowance rate is, in general, 100, but it is reduced by 1 per cent for every amount, cf. section 49(5), by which the income basis assessed under section 29(1)-(4) exceeds the deduction calculated under section 49(1)(vi), below.

(4). The pension shall not be payable if it amounts to less than the minimum amount specified in section 49(1)(xii), below.

32. Any amount of pension and housing benefit overpaid may be deducted from the pension.

Part 4 a

Calculation of anticipatory pension

Income basis

32 a(1). The income basis for anticipatory pension shall be calculated on the basis of the total income of the pensioner and his/her spouse or cohabiting partner, if applicable. The income basis shall be assessed as follows:

(i) Personal income, including any positive unearned income, that is applied for the purpose of calculating income tax in pursuance of section 7 of the Act on Personal Taxes, but before the basic allowance specified therein, and any equity shares income taxable under section 8 a(1) and (2) of the said Act, other than income from dividends up to DKK 5,000 from which final dividend tax has been withheld.

(ii) The accounting period for the income basis under paragraph (i) hereof shall be the most recently ended income year. The income basis shall be applied with effect from the second calendar year after the end of the income year.

(iii) In the assessment of the income basis in pursuance of paragraphs (i) and (ii) hereof, the personal income included in the income basis shall be

adjusted according to the rules governing advance tax assessment on the basis of the latest final tax assessment under the Act on the Levying of Income Tax and Local and County Property Value Tax for Persons etc. (tax at source).

(2). The Minister for Social Affairs shall lay down rules governing the inclusion in the income basis under subsection (1) hereof of any incomes not taxable in Denmark and incomes comprised by section 33 C of the Tax Assessment Act.

(3). The following deductions shall be made from the income basis under subsections (1) and (2) hereof:

(i) Deductions in respect of taxable social pensions in pursuance of this Act and deductions in respect of taxable pensions payable in pursuance of the relevant legislation of any other EU/EEA Member State and governed by and calculated on the basis of Regulation (EEC) 1408/71, and in respect of pensions payable under the relevant legislation of any other country with which an agreement on the coordination of pensions has been concluded. The Minister for Social Affairs shall lay down rules governing deductions in respect of any pensions as described in the first sentence hereof which are not taxable in Denmark.

(ii) Deductions in respect of support on early retirement according to the Acts on Support on Early Retirement from Farming and on Support on Early Retirement from Fishing.

(iii) Deductions in respect of dependant's allowance under section 85 a of the Act on an Active Social Policy.

(iv) Deductions in respect of sickness benefits, unemployment benefits, unemployment allowances and cash benefits paid for the period for which back pension payments are made, cf. section 32 d(1), below.

(4). In the assessment of the income basis of a pensioner who is married to or cohabits with a person who is not receiving a social pension, an amount shall be deducted from that part of the income of the spouse or the cohabiting partner that forms part of the income basis, cf. section 49(1)(ix).

(5). The income of the spouse or the cohabiting partner assessed in accordance with subsections (1)-(4) cannot exceed the amount specified in section 49(1)(xi), below.

(6). The total income assessed in accordance with subsections (1)-(5) shall be rounded down to the nearest amount divisible by 100.

(7). An amount shall be deducted from the income assessed in accordance with subsection (6), cf. section 49(1)(x).

32 b. The amount of the first pension shall be assessed on the basis of the expected future income calculated in pursuance of section 32 a, above.

Reduction of pension

32 c(1). The anticipatory pension shall be reduced by 30 per cent of the income basis, cf. section 32 a(7), above, but by 15 per cent where the pensioner's spouse or cohabiting partner also qualifies for pension.

(2). The anticipatory pension shall not be payable if it amounts to less than the minimum amount specified in section 49(1)(xiii), below.

32 d(1). Sickness benefit, unemployment benefit, unemployment allowance and cash benefit paid for a period for which an anticipatory pension is later awarded, cf. section 33(2), shall be set off against the anticipatory pension amount paid for that period.

(2). Any amount of pension or housing benefit overpaid may be deducted from the pension.

Part 5

Payment of pension

33(1). Old-age pension shall be payable in arrears by monthly instalments from the first day of the month following application for old-age pension and compliance with statutory requirements.

(2). Anticipatory pension shall be payable in arrears from the first day of the month following the month in which the pension was awarded. Where the decision to award anticipatory pension is made after the time limit specified in section 21, above, the anticipatory pension shall be payable from the first day of the month following a period of three months from the date on which anticipatory pension was first considered. Anticipatory pension, cf. the first and second sentences hereof, shall not be payable earlier than on the first day of the month after the month in which the conditions for eligibility for a pension are fulfilled.

(3). Pension entitlement shall cease with effect from the day following the pensioner's death, but cf. subsection (7) hereof.

(4). Where the pension payable for the month of the death has not been paid, the relevant amount shall be paid, cf. subsection (3) hereof, to the pensioner's spouse if the spouses were cohabiting at the time of the death. For other pensioners, the amount shall be payable to the estate of the deceased pensioner, cf. subsection (3) hereof.

(5). Where the pension payable for the month of the death has been paid, and where the pensioner was cohabiting with his/her spouse at the time of the death, the spouse is entitled to payment out of the estate of an amount corresponding to the amount of pension paid for the month of the death and thereafter.

(6). Where the pension has been paid for any period following the termination of entitlement under subsection (3) hereof, any amount overpaid shall be refunded, but cf. subsection (7) hereof. Any such claim shall be raised against the estate of the deceased pensioner.

(7). Where the deceased pensioner was receiving his/her pension in advance, no overpaid pension amount shall be refunded for the month in which the pensioner died if the pensioner immediately prior to his/her death cohabited with:

(i) a spouse;

(ii) a cohabiting partner who receives a social pension; or

(iii) a cohabiting partner who is not receiving a social pension but who has been appointed beneficiary under the will of the deceased pensioner.

This also applies although the cohabitation with a spouse or a cohabiting partner appointed beneficiary under the will of the deceased pensioner had already been discontinued at the time of the death where such discontinuation is due to one of the parties having obtained accommodation in the accommodation facilities, etc. specified in sections 92-94 or section 140 of the Act on Social Services or in section 5 of the Act on Social Housing and Subsidised Dwellings in Private Housing Cooperatives etc.

(8). Where the deceased pensioner was receiving his/her pension in advance and was cohabiting with a spouse or cohabiting partner receiving a social pension, any pension overpaid for the month in which the pensioner dies, cf. subsection (3), shall be set off against any dependant's pension, cf. section 48, below.

Labour Market Supplementary Pension Scheme

33 a(1). Contributions to the Labour Market Supplementary Pension Scheme ("ATP") shall be made for persons receiving anticipatory pensions, cf. section 2 a of the Act on the Labour Market Supplementary Pension Scheme. The amount of such contributions is specified in section 15(1) of the Act on the Labour Market Supplementary Pension Scheme, but cf. subsection (3) hereof.

(2). ATP contributions shall not be payable if the pension, cf. subsection (1) hereof, amounts to less than DKK 1,000 a month.

(3). The recipient of an anticipatory pension shall pay ATP contribution as to one third share, the two other shares being payable by the local authority. Each share of the contribution payable for a month shall be rounded down to the nearest whole amount.

(4). The ATP contribution from the recipient of an anticipatory pension shall be withheld every month from the anticipatory pension payable.

(5). The state shall cover the costs of ATP contributions incurred by the local authority under this Act.

(6). The rules governing the payment of contributions under subsections (1)-(4) hereof, including the conditions for discontinuing such contributions, shall be laid down by the Minister for Social Affairs upon the recommendation of the trustees of the Labour Market Supplementary Pension Fund.

Labour Market Supplementary Pension Scheme for Recipients of Anticipatory Pension

33 b(1). Persons receiving anticipatory pensions may pay contributions to a supplementary labour market pension scheme, cf. section 49(1)(xiv), below.

(2). The recipient of an anticipatory pension shall pay such contribution as to one third share, the two other shares being payable by the local authority.

(3). The local authority shall deduct the recipient's contribution from the anticipatory pension payable every month and pay the amount to the Labour Market Supplementary Pension Scheme or to a life insurance company or a pension fund at the pensioner's own option.

(4). The state shall cover the costs of contributions to supplementary pension incurred by the local authority under this Act.

(5). The Minister for Social Affairs may lay down rules for the specific form and administration of the supplementary pension scheme.

33 c(1). The local authorities shall pay supplementary labour market pension contributions to the Labour Market Supplementary Pension Scheme or to a life insurance company or a pension fund at the pensioner's own option.

(2). Where community property is to be divided on divorce or legal separation or during the subsistence of the marriage the legal owner may withdraw any rights to the supplementary labour market pension prior to such division.

(3). The lifelong pension entitlement in pursuance of the supplementary labour market pension shall be determined on a basis which does not discriminate on the grounds of gender.

(4). The Minister for Social Affairs may lay down rules to the effect that the lifelong pension in pursuance of the supplementary labour market pension may be paid as a lump sum where the amount of the yearly pension payment is relatively low.

33 d(1). Any amount paid to the Labour Market Supplementary Pension Scheme shall be credited to special accounts and may be managed together with the funds of the Special Pension Savings Scheme, cf. Part 5 d of the Act on the Labour Market Supplementary Pension Scheme. The provision on

interest set out in Part 5 c of the Act on the Labour Market Supplementary Pension Scheme may also be applicable in the event of late payment of contributions. The Minister for Social Affairs may upon the recommendation of the trustees of the Labour Market Supplementary Pension Fund lay down rules for the supplementary labour market pension of the Labour Market Supplementary Pension Scheme, for example rules on the payment of contributions, payment in the event of death and on the acquisition of a lifelong entitlement to pension from the Labour Market Supplementary Pension Scheme.

(2). Where the pensioner dies prior to attaining the age of 65, or 67 if the pensioner was born before 1 July 1939, the Labour Market Supplementary Pension Scheme shall pay the balance of the account to the estate of the deceased.

(3). When the account holder having paid contributions to the supplementary labour market pension of the Labour Market Supplementary Pension Scheme attains the age of 65, or 67 if the account holder was born before 1 July 1939, the balance of the account shall be used for acquiring a lifelong entitlement to pension from the Labour Market Supplementary Pension Scheme.

33 e(1). Contributions made to a life insurance company or a pension fund shall be used for acquiring a lifelong pension entitlement for the recipient of an anticipatory pension. The lifelong pension shall be paid as from the date on which the recipient attains the age of 65, or 67 if the recipient was born before 1 July 1939. The supplementary labour market pension may also be used specifically for the purpose of increasing an existing lifelong pension entitlement.

(2). Where the pensioner dies prior to attaining the age of 65, or 67 if the pensioner was born before 1 July 1939, the value of the acquired entitlement to pension from a life insurance company or a pension fund shall be paid to the estate of the deceased or to the beneficiary under the pension agreement.

Special payment rules

34. Where the payment of a pension has been suspended during a stay in an institution, etc., cf. section 46, below, such payment shall be resumed with effect from the date of discharge.

35. (Repealed).

36. Where a pensioner is deemed by the local authority to be incapable of administering the pension, the authority shall determine the manner in which the pension is to be paid. The authority may request that the pensioner be declared incapable of managing his/her own affairs and therefore be placed under receivership, cf. section 16 of the Act on Legal Guardianship and Receivership.

37. Persons who are eligible for anticipatory pension shall, without prior application, be transferred to old-age pension as from the first day of the month following their 65th birthday.

38. The Minister for Social Affairs is authorised to lay down regulations governing the payment of pensions, including the amount of any personal allowance.

Part 6

Annual assessment, recalculation, withdrawal, repayment, etc.

39(1). The amount of pension shall be assessed on 1 January every year on the basis of the income assessed pursuant to sections 27, 29 and 32 a, above.

(2). The amount of pension shall be recalculated in the course of the year

(i) in the event of a change of the income basis which is not merely temporary, and where a calculation based on the expected future income results in a change in the amount of the pension; or

(ii) in the event of a change of personal circumstances likely to affect the amount of the pension, e.g.

(iii) in the event of the death of the pensioner's spouse or cohabiting partner.

(3). Any recalculation, cf. subsection (2)(i) and (ii) hereof, shall take effect from the first day of the month following the date on which the local council was given notice of the change. Any recalculation, cf. subsection (2)(iii) hereof, shall take effect from the day following the date of death of the pensioner's spouse or cohabiting partner. The pension amount of a surviving spouse or cohabiting partner, who receives a dependant's pension, shall be recalculated with effect from the day following the day on which the dependant's pension ceases to be paid, cf. section 48, below.

(4). If notice of any change, cf. subsection (2) hereof, resulting in an increase of the pension is received by the local council after the time of such change, the pension shall be recalculated with retroactive effect for the period from the date of the change, such period not to exceed six months from the receipt of such notice, cf. subsection (3) hereof.

(5). The Minister for Social Affairs is authorised to lay down rules ensuring that the local council is given the requisite information for the annual assessment and recalculation of the pension.

39 a(1). Property as defined in section 14 b(2)(i)-(v) shall be assessed each year on 1 January on the basis of the information most recently reported to the tax authorities under Title II of the Act on Tax Control. Where material changes have taken place which may affect the payment of the health allowance, the property shall be calculated on the basis of current

information on the property provided by the pensioner and his/her spouse or cohabiting partner, if applicable.

(2). Property as defined in section 14 b(2)(vi) and (vii) shall be calculated each year on 1 January on the basis of the most recent information provided by the pensioner and his/her spouse or cohabiting partner, if applicable.

(3). Property shall be assessed in the course of the year at the pensioner's request if the pensioner is able to substantiate that the total available property does not exceed the property limit specified in section 49(1)(vii). Payment of health allowance under section 14 a may be effected as from the time of the application and not retrospectively, irrespective of whether the property was already reduced to less than the property limit at an earlier time.

40. A pension shall not be payable if it has not been claimed for a year. Pension payments will be resumed upon application.

41(1). A pensioner shall give the local council notice of any change in circumstances likely to result in changes in the amount of pension, cf. Part 3 of the Act on Legal Protection and Administration in Social Matters.

(2). The local council may require the pensioner, his/her spouse or cohabiting partner to provide information for the purpose of the calculation and payment of the pension. If the relevant person fails to provide such information within three months of being required to do so, payment of the pension will cease in full or in part as from the last day of the month in which the said time limit expired. Payment of the pension will be resumed with effect from the first day of the month following receipt of the relevant information. If a pensioner is unable to provide the information within the time specified in the first sentence hereof on account of special circumstances, the time may be extended.

(3). The pensioner shall give notice of any change of address. When moving to another local authority area in Denmark, a pensioner shall apply for continued payment of the pension to the local authority to which he/she is moving.

42. Where a pensioner has failed to provide information as required by section 41, above, or has otherwise knowingly received pension payments without being entitled thereto, the pensioner or his/her estate shall repay any such amounts received.

43(1). The local council may, by way of exception, decide to demand repayment of personal allowances. Such repayment may be demanded

(i) where a personal allowance is granted on grounds of inadequate management of a pensioner's financial affairs;

(ii) where, at the time when the personal allowance is granted, certain factors indicate that the pensioner will be able to repay the assistance given within a short period of time; or

(iii) where a pensioner who has received a personal allowance is subsequently paid an amount in respect of the same period and for the same purpose as the personal allowance.

(2). In the cases referred to in subsection (1)(i)-(ii) hereof, repayment may only be demanded if the local council had notified the pensioner of the duty of repayment when granting the personal allowance.

43 a(1). The local council may decide that the pension entitlement under section 16, above, shall be dormant.

(2). The local council may decide to withdraw the anticipatory pension in cases where the pensioner fails to assist in any necessary investigations, cf. Part 3 of the Act on Legal Protection and Administration in Social Matters, or to take part in training or any other activities deemed likely to improve the working capacity substantially on a permanent basis.

44(1). The local council shall be under an obligation to withdraw an anticipatory pension where the pensioner's working capacity has substantially improved to the effect that the pensioner may provide for him or herself by means of a remunerated job. In that connection, the local council shall decide whether the pensioner may retain his/her pension for up to three months after the date on which the pension may be withdrawn in pursuance of the first sentence hereof.

(2). The pensioner may personally bring up the matter of a possible withdrawal of a pension.

(3). When the pensioner has attained the age of 60, any withdrawal of the pension shall be subject to the pensioner's consent.

45. (Repealed).

46(1). Where a person is serving a prison or other custodial sentence, the pension shall be payable until the end of the month following the month in which such service is commenced. The same shall apply where a pensioner is remanded in custody. If the pensioner is likely to be released within a period of approximately six months from commencement of the sentence, he/she is entitled to receive an amount to cover the cost of rent and other expenses. While in custody, a pensioner may have the period specified in the third sentence hereof extended. Where a remand in custody is not followed by conviction, the amount of the pension which was not paid to the pensioner while on remand shall be payable in arrears.

(2). The Minister for Social Affairs is authorised to lay down rules governing the

(i) payment of pensions to persons admitted to the institutions, etc. referred to in subsection (1);

(ii) payment of pensions to persons in residential care or accommodated in a co-housing arrangement, cf. section 91 of the Act on Social Assistance;

(iii) payment of pensions to persons staying in institutions falling within the Act on Social Assistance, but where no regulations have been laid down governing the payment of pensions; and

(iv) payment of pensions under the provisions of relevant legislation of any other country.

46 a. (Repealed).

47(1). No claim for a pension shall be enforceable by execution or any other legal proceedings within a period of three months from the date of accrual of such claim. Any agreement on such claims shall be null and void.

(2). The local council shall obtain repayment under sections 42 and 43(1) by means of a payments arrangement according to which the pensioner pays the highest amount possible while remaining able to provide for him or herself and his/her family.

(3). A right of distraint shall be available for repayment claims under sections 42 and 43(1), above, where a pensioner who is able to pay fails to comply with a payments arrangement, cf. subsection (2) hereof.

48. Where one of two cohabiting spouses or partners who are both receiving social pensions dies, the payment of the total amount of the two pensions (dependant's pension) shall continue for a period corresponding to three months as from the day following the death. Dependant's pension shall be paid to the surviving pensioner, but cf. section 33(8), above.

Part 7

Amounts and adjustment

49(1). Pensions shall be assessed on the basis of the following amounts:

(i) The basic amount under section 12, above, shall amount to DKK 51,144 a year;

(ii) The amount deducted from the assessed income in respect of the basic amount under section 27(5), above, shall amount to DKK 217,300;

(iii) The pension supplements under section 12, above, shall amount to DKK 51,480 a year for single pensioners and DKK 24,024 a year for married or cohabiting pensioners;

- (iv) The amount deducted from the assessed income of a spouse or cohabiting partner who is not receiving a social pension, cf. section 29(5), first sentence, shall correspond to half of the income of the spouse or cohabiting partner not exceeding DKK 150,000;
- (v) The amount deducted from the assessed income in respect of the pension supplement under section 29(7) shall amount to DKK 47,900 for single pensioners and to DKK 96,200 for married or cohabiting pensioners;
- (vi) The amount deducted from the assessed income in respect of the personal allowance and health allowance under section 29(8), above, shall amount to DKK 13,800 for single pensioners and to DKK 27,500 for married or cohabiting pensioners;
- (vii) The property limit for the award of health allowances under section 14 a shall amount to DKK 50,100.
- (viii) The anticipatory pension amount under section 16, above, shall amount to DKK 152,880 a year for single pensioners and DKK 129,948 a year for married or cohabiting pensioners;
- (ix) The amount deducted from the assessed income of a spouse or cohabiting partner who is not receiving a social pension, cf. section 32 a(4), shall amount to DKK 129,948;
- (x) The amount deducted from the total income basis for anticipatory pension under section 32 a(7) shall amount to DKK 52,000 for single pensioners and DKK 82,600 for married or cohabiting pensioners;
- (xi) For a spouse or cohabiting partner who is a pensioner the amount included in the income basis cannot exceed DKK 255,800. For a spouse or cohabiting partner who is not a pensioner the amount included in the income basis cannot exceed DKK 169,200.
- (xii) The minimum amount of pension payable under section 31(4), above, shall amount to one-fortieth of the basic amount.
- (xiii) The minimum amount of pension payable under section 32 c(3), above, shall amount to one-fortieth of the anticipatory pension amount.
- (xiv) The contribution to the supplementary labour market pension, cf. section 33 b, shall amount to DKK 4,212 a year.
- (2). For the purpose of the assessment of the relevant pension amount, married persons and cohabiting partners shall be treated as single persons if the parties have separated and are no longer living together. A person shall not be treated as a single person if such person after the spouses or cohabiting partners have ceased to live together, cf. the first sentence hereof, is living together with another person than the spouse or the cohabiting partner.

(3). The amounts specified in subsection (1) hereof and in sections 69-72, below, shall be adjusted once a year, on 1 January, by the rate adjustment percentage, cf. the Rate Adjustment Percentage Act. The first such adjustment shall be effected on 1 January 2002.

(4). The amounts specified in subsection 1(i), (iii), (viii), (ix) and (xii)-(xiv) hereof and in sections 69-72, below, shall be rounded to the nearest amount divisible by 12. The amounts specified in subsection (1)(ii), (iv)-(vii), (x) and (xi) shall be rounded to the nearest amount divisible by 100.

(5). The amount resulting in the personal allowance under section 14(2) and the health allowance under section 14 a being reduced by one per cent, cf. section (31)(iii), shall be calculated as the difference between the amount deducted under section 49(1)(v) and the amount deducted under section 49(1)(vi) divided by 100. The amount calculated for single pensioners differs from the amount calculated for married and cohabiting pensioners.

Part 8

Right of appeal

50(1). A right of appeal lies against any decision made under this Act subject to the provisions of Part 10 of the Act on Legal Protection and Administration in Social Matters.

(2). Any decision by the Hypotekbanken (Mortgage Bank) under section 72 a, below, may be brought before the Minister of Finance.

50a - 51. (Repealed).

Part 9

Financing

52(1). The state shall reimburse the cost of pensions incurred by the local authorities under section 12, above. The cost of pensions incurred by local authorities under section 16, above, shall be borne by the State as to 35 per cent.

(2). The cost of personal allowances incurred by local authorities under section 14(1) and the cost of health allowances incurred under section 14 a, above, shall be borne by the state as to 50 per cent. The cost of personal allowances incurred by local authorities under section 14(2) and (3), above, shall be borne by the state as to 75 per cent.

(3). The state shall pay the cost of pensions for persons who are permanently resident outside Denmark.

53. The local authority area of residence may claim reimbursement from a previous local authority area of residence under section 9 a of the Act on Legal Protection and Administration in Social Matters.

54(1). By agreement with the respective regional government bodies of the Faeroe Islands and Greenland, the Minister for Social Affairs shall lay down rules governing the payment of the cost of pensions under this Act for persons residing in Denmark at the instance of the social authorities of the Faeroe Islands or Greenland, and governing the payment of the cost of pensions for persons from Denmark residing in the Faeroe Islands or Greenland at the instance of the Danish social welfare authorities.

(2). Any dispute arising between Faeroese or Greenlandic social welfare authorities and Danish social welfare authorities relating to their respective obligations under the said rules shall be settled by the Social Appeals Board.

55. (Repealed).

56. (Repealed).

Part 10

Administration, etc.

57(1). The local council of the local authority area of residence shall be responsible for the administration of this Act, cf. Part 3 of the Act on Legal Protection and Administration in Social Matters.

(2). The Minister of Taxation shall make information available for the calculation of the income basis under sections 29(1) and 32 a(1), above.

(3). The Minister of Taxation shall decide which authorities are to assess the income basis under sections 29(1) and 32 a(1), above.

58. (Repealed).

59. (Repealed).

60. The Minister for Social Affairs is authorised to lay down rules governing deductions from the pension in respect of any amount of pension received by a pensioner under foreign legislation during the period for which a pension is payable under this Act.

61. (Repealed).

62(1). The Director of the National Social Security Agency is authorised to exercise the powers vested in the local authorities under this Act in respect of pensions payable under Chapter 3 of Title III of Regulation (EEC) No. 1408/71 on the application of social security schemes to employed persons, self-employed persons and to members of their families migrating within the European Community. The same shall apply in respect of pensions granted under the provisions of conventions concluded with other states.

(2). In the exercise of the powers specified in subsection (1) hereof, sections 18 and 21 shall not apply to persons resident outside Denmark. The award of anticipatory pension, cf. section 19, above, shall be based on reports from foreign pension authorities on the conditions and circumstances of the pensioner.

(3). The Minister for Social Affairs shall lay down regulations governing the administration of pensions for persons resident outside Denmark, including regulations governing the transfer of the powers of local authorities to the National Social Security Agency.

62 a-b. (Repealed).

Part 11

Commencement and transitional provisions, etc.

63(1). The Act shall come into force on 1 October 1984, section 65 becoming effective from 1 January 1984 whereas the anticipatory pension amount specified in section 13(iii) shall only be payable with effect from 1 January 1985.

(2). The Old-Age Pensions Act, cf. Consolidation Act No. 436 of 9 September 1983, and the Disability and Anticipatory Pensions, etc., Act, cf. Consolidation Act No. 437 of the same date, shall be repealed.

64. The Minister for Social Affairs shall decide which executive orders and regulations issued under the said Acts are to remain in force after 1 October 1984.

65. (Repealed with effect from 1 July 1994 by Act No. 448 of 1 June 1994).

66(1). Persons qualifying for pensions as of 1 October 1984 in pursuance of the Old-Age Pensions Act and the Disability and Anticipatory Pensions, etc., Act shall either be paid a pension at the full rate under this Act or at least the same number of fortieths of pension at the full rate as previously, but subject to the provisions of Part 6, above.

(2). Persons receiving pensions as of 1 October 1984 in pursuance of section 3(1) and (2) of the Disability and Anticipatory Pensions, etc., Act shall be transferred to the highest or the intermediate amount of anticipatory pension, respectively. Persons who as of 1 January 1984 were transferred to pensions payable under section 3(3) and (4) of the said Act, and who were at that time under the age of 60, and persons awarded pensions under section 3(3) and (4) of the said Act before the age of 60, shall be transferred to an increased ordinary anticipatory pension. Other persons receiving pensions under section 3(3) and (4) of the said Act shall be transferred to an ordinary anticipatory pension. Single women having attained the age of 62 by 1 January 1984 without receiving a pension and who qualify for a pension under section 3(4) of the said Act are entitled to receive an ordinary anticipatory pension.

67. Danish citizens under the age of 67 who are receiving an anticipatory pension at the full rate under section 3(3) and (4) of the Disability and Anticipatory Pensions, etc., Act will remain entitled to have their pensions paid abroad.

68. Notwithstanding the provisions of section 5(1) and (2), above, Danish citizens over 67 who have been permanently resident in Denmark for not less than 10 years after the age of 15, of which not less than five years immediately preceding the 67th birthday are entitled to receive an old-age pension at the full rate payable as from 1 October 1989 at the latest.

69(1). To any single woman having deferred her claim for old-age pension as of 30 June 1975, a deferment increment will be payable at the following rates, cf. section 49, above:

In the case of deferment until age 65, DKK 912 a year.

In the case of deferment until age 67, DKK 1,980 a year.

The age limits applicable to single women having received a deferment increment before 1 April 1960 or who would have qualified for such increment if a claim had been submitted before 1 April 1960, shall be 67 and 70 years, respectively.

For single women having deferred their pension claims as of 31 December 1972, the relevant age will be the age at the time the old-age pension was first received.

(2). To other persons having deferred their claims for old-age pension as of 30 June 1975 and who are not covered by subsection (1) hereof, a deferment increment will be payable at the following rates, cf. section 49, above:

In the case of deferment until age 70, DKK 2,784 a year.

In the case of deferment until age 72, DKK 4,020 a year.

For persons having deferred their pension claims as of 31 December 1972, the relevant age will be the age at the time the old-age pension was first received. For spouses the relevant age will be the age of the eldest spouse at the time the old-age pension was first received by the spouses or one of them.

Where pension was claimed before 1 April 1960, the said ages will be replaced by deferment for two and five years, respectively.

(3). To any person who had as of 1 January 1984 deferred his/her claim for an old-age pension for not less than six months after the 67th birthday, and who is not covered by subsections (1) and (2) hereof, a deferment allowance will be payable.

The deferment allowance shall amount to five per cent for every six months deferred after age 67, subject to a maximum of 30 per cent, of the basic amount at the end of the deferment period, cf. section 49 above. The deferment allowance may also be payable to persons not receiving pensions owing to the provisions of section 27, above.

(4). Where a pensioner does not satisfy the requirements of section 5(1), above, for being paid a pension at the full rate, the deferment increment and allowance shall be reduced by the proportions set out in section 5(2), above.

70. (Repealed).

71. A disability supplement shall be payable to old-age pensioners qualifying for the supplement as of 1 October 1984. The supplement shall amount to DKK 5,520 a year, cf. section 49, above, and shall be means-tested under sections 28 and 31(1), as applicable until 1 January 2003.

72. A household allowance shall be payable to old-age pensioners and persons receiving disability benefits who qualify for the allowance as of 1 October 1984. The allowance shall amount to DKK 9,180 a year, cf. section 49, above.

72 a(1). Unpaid employers' contributions under the provisions in force until 1 January 1988, cf. sections 54-56, above, may be enforced by distraint.

(2). The contributions referred to in subsection (1) hereof with the addition of interest and costs may be collected by the Kongeriget Danmarks Hypotekbank og Finansforvaltning (the Hypotekbanken) (the Mortgage Bank and Financial Administration Agency of the Kingdom of Denmark (the Mortgage Bank)). The Hypotekbanken (the Mortgage Bank) may collect any amounts due by attaching the earnings, etc., of the person in question pursuant to the provisions on collection of personal taxes set out in the Tax at Source Act.

(3). The Minister for Social Affairs is authorised to lay down rules governing the procedure for the attachment of earnings, etc., including fines imposed for contravening the rules. For any contravention of the rules by a public or private limited company, a co-operative society, etc., the company or society as such may be liable to a fine.

(4). The Hypotekbanken (the Mortgage Bank) may obtain such information about the person in question from tax authorities or other public authorities as is necessary in order to collect amounts due under subsection (1) hereof, including information about income and property.

72 b. For single persons who were receiving disability benefits, outside assistance allowance or constant care allowance under section 18, cf. sections 16 and 49(2), second sentence, as applicable until 1 January 2003, a supplement of DKK 28,236 a year shall be payable. The supplement shall be adjusted in pursuance of the rules set out in section 49(3), cf. subsection (4), and the cost shall be payable in pursuance of the rules set out in section

52(1), cf. section 14 of Act No. 399 of 6 June 1991 to amend the Administration of Social Institutions Act and the Act on Social Pensions, etc. (Amendment of the provisions governing the award of anticipatory pensions, reimbursement rates and the appeals structure, etc.).

72 c(1). For old-age pensioners residing as of 1 January in local authority areas in which the aggregate of the local authority income tax rate, the county income tax rate and the church tax rate exceeds 33.0 per cent, a supplement of DKK 59 a year for a single pensioner and DKK 34 for married and cohabiting pensioners for every 0.1 percentage point by which the aggregate of the mentioned tax rates exceeds 33.0 per cent after rounding to a decimal. The supplement shall be rounded up to the nearest whole amount which is divisible by 50. Any supplement amounting to less than DKK 250 for single pensioners and DKK 150 for married and cohabiting pensioners before rounding shall not be payable.

(2). The percentages set out in subsection (1) hereof shall be increased as of 1 January 2002 by 0.4 percentage point and thereafter by another 0.4 percentage point on 1 January every year.

(3). The amounts set out in subsection (1) hereof shall not be adjusted according to the provisions of section 49(3), cf. subsection (4), above. The cost of supplements shall be borne by the state.

72 d(1). A supplementary pension allowance of max. DKK 5,100 shall be paid annually to old-age pensioners who are entitled to pension by 1 January in the relevant year, cf. section 12, above, and who meet the conditions of subsections (2)-(6) hereof.

(2). The supplementary pension allowance shall not be paid if the total available property of the pensioner and his/her spouse or cohabiting partner, if applicable, exceeds the property limit for the award of health allowance, cf. section 49(1)(vii), above. Available property as defined in section 14 b(2) and (3) and section 14 c, above shall be assessed each year on 1 January based on the information most recently reported to the tax authorities under Title II of the Act on Tax Control, and based on any information about available property provided by the pensioner and his/her spouse or cohabiting partner, if applicable.

(3). The supplementary pension allowance shall be reduced on the basis of the total income of the pensioner and his/her spouse or cohabiting partner, if applicable. The total income shall be assessed at 1 January pursuant to section 29(1) and (3)-(6), above, on the basis of the latest final tax assessment of income or on the basis of the anticipated future income in the event of a change in income basis that is not merely temporary. The assessed income shall be reduced by a deduction of DKK 1,500.

(4). The supplementary pension allowance shall be reduced by 100% of the income basis pursuant to subsection (3) hereof, but by 50% where the pensioner's spouse or cohabiting partner also qualifies for supplementary pension allowance.

(5). The calculated supplementary pension allowance shall be reduced in proportion to the fixed number of fortieths for old-age pensioners who are entitled to a number of fortieths of pension at the full rate pursuant to section 5(2), above.

(6). The supplementary pension allowance shall not be paid if the calculated allowance is less than DKK 200.

(7). The supplementary pension allowance shall be paid in January if the local authority has the necessary information.

(8). The amounts mentioned in subsections (1) and (3) hereof shall be adjusted on 1 January each year at the rate adjustment percentage, cf. the Rate Adjustment Percentage Act. The first such adjustment shall be effected on 1 January 2005. The amounts shall be rounded to the nearest full amount divisible by 100.

(9). The cost of the supplementary pension allowance shall be borne by the state.

73. This Act shall not extend to the Faeroe Islands and Greenland.

Relevant information