

STATE MATCHING CONTRIBUTION IN TÜRKİYE

Insurance and Private Pension Regulation and Supervision Authority

30.09.2025



**SİGORTACILIK VE ÖZEL EMEKLİLİK
DÜZENLEME VE DENETLEME KURUMU**

Milestones of State Matching Contribution



2013

January

Replacement of the tax deduction subsidy with the State Matching Contributions

2022

January

The state contribution rate was increased from 25% to 30%.

State Contribution



The government matches 30% of pension contributions into individual savings accounts or group personal pension contracts up to 30% of the annual minimum wage.



The government contribution applies to the automatic enrolment system too, with a separated limit from the one in the individual pension system (i.e. an individual can get the government match twice, within the limit of 30% of the annual minimum wage for each scheme).



Individuals receive 100% of government contributions in case of retirement or death/disability. If an individual makes an early withdrawal, s/he cannot keep all of the matching contributions.



State Contribution

Individual Pension System (IPS)

«State Contribution» started at the beginning of 2013 instead of tax incentive

30% of the participant contribution
(Up to 30% of the annual gross minimum wage)

Cash payment into account, investing in state contribution funds

- A participant can benefit from the state contribution limit separately in the IPS and the AES.
- In the case that the total of the contributions paid during the year exceeds the annual limit, it is regulated that the state contribution is paid in the following calendar years for the contributions exceeding the limit.

Auto Enrollment System (AES)


30% of the participant contribution
(Up to 30% of the annual gross minimum wage)

«Initial State Contribution» for AES
One-time additional 1,000 TRY state contribution, upon entrance to AES.

Additional 5% percent of the total accumulations, in case of opting to 10-year annuity plans

State contribution calculated as commitment, the committed amounts is recorded in the employee's state contribution account and yielding CPI indexed accretion until vesting, cash payment of the vested amount into account based on the vesting rate and investment of this amount in state contribution funds.

State Contribution: Vesting Rules & Limit

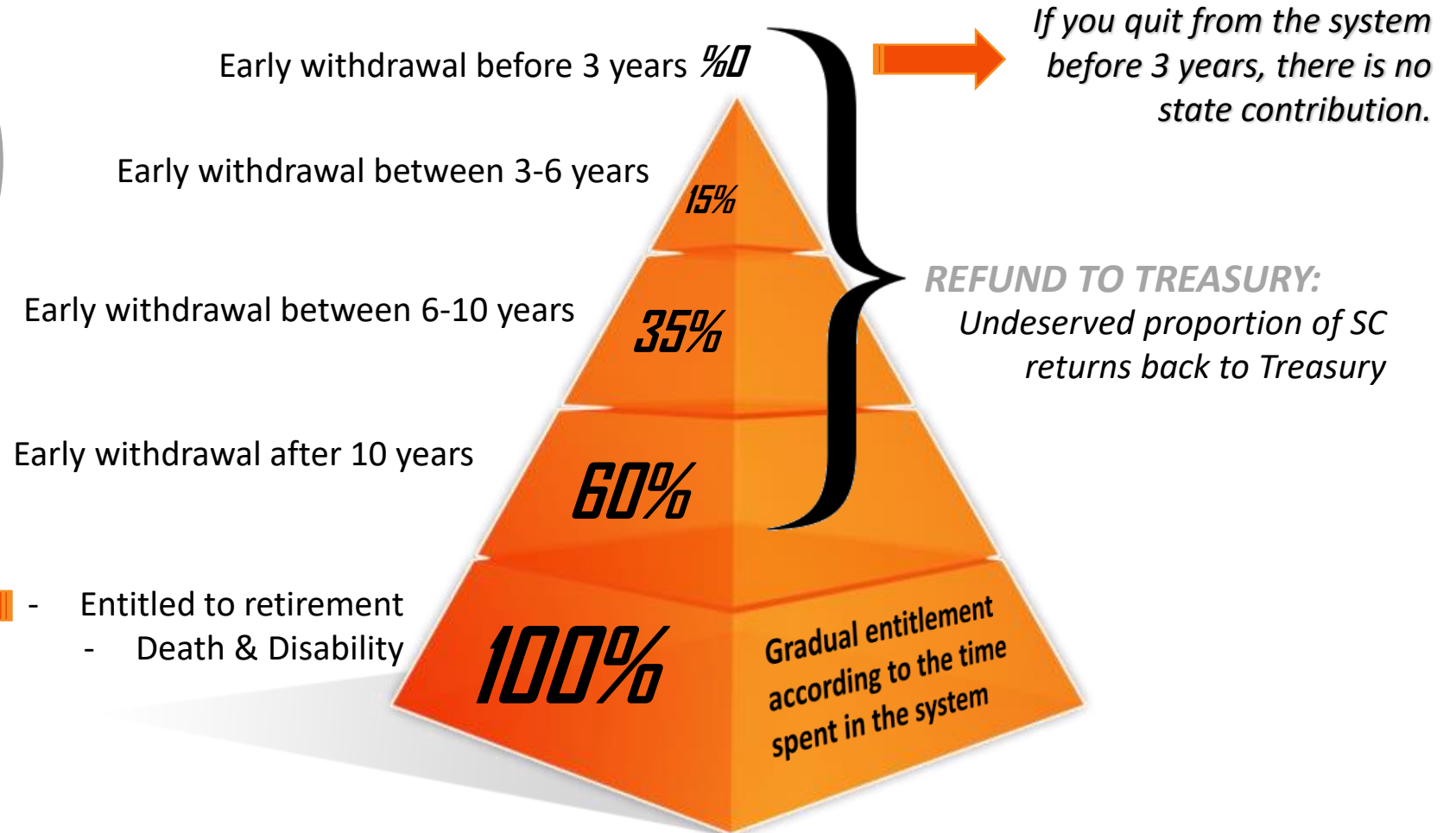


Upper Limit of State Contribution:
%30 of Annual Gross Minimum Wage
(TL 93,62 for 2025)

Turning the age of 56 and minimum 10 years in system.



- Entitled to retirement
- Death & Disability



Statistics (30.09.2025)



IPS & AES as a whole;

Number of Participants	: 17,705,518
Total Fund Size Excluding S.C	: TL 1.6 Trillion
Total Fund Size of S.C.	: TL 0.2 Trillion
Total Fund Size	: TL 1.8 Trillion (~2,83% of GDP)

THANK YOU

For more information:

www.seddk.gov.tr

www.egm.org.tr



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