

Employee Case Study 1

International Staff

Name: **Alex Joannides**

Nationality: **South African**

Hobbies: **Music and football**



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Circumstances

Alex is 24 years old and lives in staff accommodation at the hotel in which he works. He has a nine-month visa. He's enjoying his time in Guernsey and the hotel is keen for him to come back as he's interested in a career in hospitality. However he does expect to leave the island in the future and will not retire here.

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Financial Circumstances

Alex works long hours and has minimal outgoings in Guernsey. He sends some money home but is also saving as much as he can to build up some money behind him.

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Pension

Alex is classed as a Designated Employee and so his employer has asked him to join Your Island Pension (YIP). He's never paid into a pension before and Alex wasn't sure if it was worth it if he is only going to be here short term. However his boss explained that if Alex joins and contributes to his pension, then his employer will also contribute, so he's doubling his money.

Also, once he leaves the island and has been away for 2 consecutive years, then if the value of his pension Member Account is below £15,000 he can take the money as a taxed lump sum.

● **Alex decides to join YIP and not opt out.**

The fact that Alex can save from payroll makes it easy for him.

He also doesn't pay tax on his contributions and so he gets the full benefit of investing 100% of his contributions into his Member Account.

When Alex finally leaves Guernsey and does go home, after 2 years he's going to have a Sterling lump sum payment which is really going to make a difference. He hopes to put it either towards a new home or setting up a business.

It's great that his time in Guernsey is being so productive. He's working internationally, learning new skills and saving for his future.

● For further information on YIP please visit our website at www.yip.gg

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