

## Flexi-Access Drawdown Form

Please complete this Form if you want to take ***flexi-access drawdown pension*** from funds transferred-in to your ***Barnett Waddingham Simplified Pension Drawdown Plan*** after establishment.

Throughout this Form, words or phrases which are shown in '***bold italics***' are explained in the separate Glossary, which you should refer to when completing this Form.

Member name: .....

Member reference (Plan) number: .....

Member's Date of Birth: .....

### Flexi-access drawdown pension and tax-free cash

Required amount of tax-free cash: Maximum: ..... N/A: .....

Specific amount: £ .....

Required amount of pension income a year (before tax) from the funds you are ***crystallising*** into ***flexi-access drawdown pension***:

Amount: £ .....

Frequency of pension income payments: Monthly: ..... One-off: .....

Bank details for receipt of tax-free cash and pension income:

Bank: .....

Address: .....

..... Postcode: .....

Name of account holder: .....

Account number: .....

Sort code: .....

## Lifetime allowance declaration

The Standard Lifetime Allowance (LTA) for the tax year 2020/21 is £1,073,100 (See notes on page 4).

Before you draw benefits, we need to establish how much of your LTA you have available, to make sure that any tax charge for excess benefits is properly assessed.

**NB: If you have no LTA protection, and have not drawn any pension benefits to date, or transferred any pension funds to a Qualifying Recognised Overseas Pensions Scheme (QROPS), please just complete SECTION D - DECLARATION, on page 4**

You will need to confirm this to us by sending in a copy of the **HMRC** confirmation certificate, or - if you have **Fixed Protection 2016**, **Individual Protection 2014** or **Individual Protection 2016** - please provide the Scheme Administrator Reference Number and the Permanent Reference Number, if we do not have these already. Please then complete **SECTION A**.

You then need to complete **SECTION B OR SECTION C**.

Complete **SECTION B** if you have already had some pension benefits tested against the **LTA**. This is generally when you have started to draw benefits on or after 6 April 2006, or perhaps transferred to a **QROPS**. If not, complete **SECTION C** instead, as we will need to know if you received any benefits before 6 April 2006.

In order to establish your position we need to know what benefits you have drawn, and when you did so.

To help us with this please answer the questions below. In your answers do **NOT** include:

- any State Pensions or State Pension Credit;
- any **dependant's**, **nominee's** or **successor's** pension you are receiving.

## SECTION A – Lifetime Allowance Protection

Please note below any form of **LTA** protection that you have. Where you have indicated that you have some form of protection, please provide either a copy of the confirmation certificate, or the Scheme Administrator Reference Number and the Permanent Reference Number from **HM Revenue & Customs (HMRC)**, as outlined above.

Protection type	Tick if applies to you	Certificate Number
<b>Enhanced Protection</b>	<input type="checkbox"/>	
<b>Primary Protection</b>	<input type="checkbox"/>	
<b>LTA Enhancement Factor</b>	<input type="checkbox"/>	
<b>Fixed Protection (2012)</b>	<input type="checkbox"/>	
<b>Fixed Protection 2014</b>	<input type="checkbox"/>	
<b>Individual Protection 2014</b>	<input type="checkbox"/>	
<b>Fixed Protection 2016</b>	<input type="checkbox"/>	
<b>Individual Protection 2016</b>	<input type="checkbox"/>	

## SECTION B – Lifetime Allowance used to date

Please list below any benefits brought into payment after 5 April 2006, but before the date you will draw these benefits.

Your pension provider or scheme administrator should have told you the proportion of the **LTA** used and sent annual reminders, which may be on your P60. It may help us if you provide copies of any certificates issued.

Scheme or pension provider	Tax Year came into payment	Proportion of LTA used
		---.---%
		---.---%
		---.---%
		---.---%

If you have any pensions you are already receiving, which have increased in payment by more than the greater of 5% and the rate of inflation in any tax year since 5 April 2006, you may have used up further **LTA**. This excludes drawdown pensions. Please complete the table below.

The provider(s) should have told you the proportion of the **LTA** used with each such increase, but be careful not to double count any allowance already detailed above.

Scheme or pension provider	Tax Year increase applied	Proportion of LTA
		____.____%
		____.____%
		____.____%

If you have transferred any pension benefits to a **QROPS** after 5 April 2006 then you will have used up part of your **LTA**. Please complete the table below. The transferring arrangement should have notified you how much **LTA** was used with the transfer.

Transferring UK pension plan	Tax Year of transfer	Proportion of LTA used
		____.____%
		____.____%
		____.____%

## SECTION C – Lifetime Allowance usage relating to benefits accessed before 6 April 2006

**SECTION C** does not need completing if **SECTION B** has been completed instead.

If you have any pensions that were in payment before 6 April 2006 please complete the table below.

Scheme or pension provider	Date pension started	Current pension before tax*
		£ _____ a year
		£ _____ a year
		£ _____ a year

\* Where pension is from a **capped drawdown fund**, please note down the maximum pension that you are permitted to draw, regardless of the current level of pension that you have selected. Where your drawdown is not subject to a cap, note down the maximum that applied before your pension became uncapped.

If you received a cash sum from another pension scheme between 27 July 2004 and 6 April 2006, AND deferred taking the pension from that same scheme until after 6 April 2006 please confirm the details below.

Scheme or pension provider	Date received	Cash Sum
		£ _____
		£ _____
		£ _____

## SECTION D – Declaration

*If you believe your benefits are large enough to potentially exceed your **LTA** limit (and may therefore be subject to a tax charge) you should let us know. You may find it helpful to speak to a financial adviser.*

I declare that all of the information that I have provided is complete and correct to the best of my knowledge and that I will advise of any amendments needed without delay.

I acknowledge that where there is insufficient **LTA**, a tax charge will apply (unless I have **Enhanced Protection**) and my benefits will reduce accordingly. I understand that if further tax becomes payable because this declaration is not correct, then I will be wholly and personally liable for the tax charge due, and any penalty that **HMRC** may impose.

 Signature: .....

Name: ..... Date: .....

## What is the Standard Lifetime Allowance?

When the Scheme Administrator calculates the benefits that you may receive, they must look at the total value of your pension benefits and compare this against the Standard **LTA**. The Standard **LTA** over the last few tax years has been as follows:

Tax Year	2015/16	2016/17	2017/18	2018/19	2019/20
Standard <b>LTA</b>	£1,250,000	£1,000,000	£1,000,000	£1,030,000	£1,055,000

Benefits from all of your pension arrangements count towards the Standard **LTA**. There is no limit on the amount of benefits that you can build up, but you will be taxed on any benefits above the Standard **LTA** when these are taken. The current tax rate is 55% if you take the excess benefits as a lump sum, or 25% if the excess is taken as taxable pension income.

## How are your benefits tested against the Standard Lifetime Allowance?

This depends on whether you have benefits from a money purchase pension scheme, and/or if you have a pension from a defined benefit scheme.

**Money Purchase Pension Scheme** - We simply compare your fund value at retirement (before you take any cash) against the Standard **LTA** for that tax year.

**Defined Benefit Scheme** - At retirement, your annual scheme pension is multiplied by 20 and this value is tested against the Standard **LTA**. If you take a cash lump sum, it is tested at 'face value' against the Standard **LTA**.

## Enhanced Protection, Fixed Protection and other forms of Lifetime Allowance protection

Most people are not affected by the **LTA** limit. However, transitional arrangements were put in place for people who may have been affected by these limits when they were introduced. This allowed them to register for a higher **LTA** (or, in the case of **Enhanced Protection**, to be exempt from the tax applied when the **LTA** has been fully used).

## What happens when I want to draw benefits?

When you draw benefits you will be asked to make a declaration about your **LTA** position, and whether you have enough unused allowance to take your benefits without additional tax implications. You will need to take into account any percentage(s) of the **LTA** already used up by any other pension benefits that you may have. If you have a pension which started before 6 April 2006, it is calculated as 25 times the pension. If the pension is a drawdown pension, the pension figure to use in the calculation is the maximum permitted pension, but multiplied by 0.8 if your new **crystallisation** occurs after 5 April 2015.