

**The Standard Lifetime Allowance (LTA) for tax year 2018/19 is £1,030,000.**

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

Please complete Section A if there is any missing information.

If you have a form of Lifetime Allowance protection, your Lifetime Allowance could be different to the Standard LTA. You will need to confirm this to us by sending in a copy of the certificate or permanent reference number, if we do not have it already, and completing SECTION B.

You then need to complete Section C **or** Section D.

Complete Section C if you have already had some pension benefits tested against the Lifetime Allowance. This is generally when you have started to draw benefits after 5 April 2006, or perhaps transferred to a Qualifying Recognised Overseas Pension Scheme (QROPS). If not, complete Section D instead, as we will need to know if you received any benefits before 6 April 2006.

## Section A – Member information

Scheme name: Barnett Waddingham Self Invested Personal Pension

Member's name: .....

Member's date of birth: .....

Member's national insurance number: .....

Intended date of drawing benefits: .....

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 benefits previously drawn from your SIPP with Barnett Waddingham;
- any State Pensions or State Pension Credit;
- any dependant's, nominee's or successor's pension you are receiving.

## Section B – Lifetime Allowance protection

### *i* Note

Please note below any form of Lifetime Allowance protection that you have. Where you have indicated that you have some form of protection, please provide 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 below.

Protection type	Tick if applies to you	HMRC Certificate Reference Number; or Scheme Administrator Reference Number and Permanent Protection Reference Number
Enhanced Protection	<input type="checkbox"/>	
Primary Protection	<input type="checkbox"/>	
Fixed Protection (from 6 April 2012)	<input type="checkbox"/>	
Fixed Protection 2014	<input type="checkbox"/>	
Individual Protection 2014	<input type="checkbox"/>	
Lifetime Allowance Enhancement Factor	<input type="checkbox"/>	
Fixed Protection 2016	<input type="checkbox"/>	
Individual Protection 2016	<input type="checkbox"/>	

## Section C – Lifetime Allowance used to date

Please list below any benefits brought into payment after 5 April 2006 but before the intended date of drawing benefits.

### *i* Note

Your pension provider or scheme administrator should have told you the proportion of the Lifetime Allowance 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 5% **and** the rate of inflation in any year since 5 April 2006, you may have used up further allowance. This excludes drawdown pensions. Please complete the table below.

### *i* Note

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

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

If you have transferred any pension benefits to a QROPS on or after 6 April 2006 then you will have used up part of your LTA. Please complete the table below.

### *i* Note

The transferring arrangement should have notified you how much Lifetime Allowance was used up with the transfer.

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

## Section D – Lifetime Allowance usage relating to benefits accessed before 6 April 2006

SECTION D does not need completing if SECTION C 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*	Drawdown pension
		£ a year	<input type="checkbox"/>
		£ a year	<input type="checkbox"/>
		£ a year	<input type="checkbox"/>

\* Where pension is from a capped drawdown fund, please tick the box and 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 cash sum received	Cash sum
		£
		£
		£

## Section E – Declaration

### Note

If you believe your benefits are large enough to potentially exceed your Lifetime Allowance 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.

If you do not have a financial adviser you can visit the IFA promotions website at [www.unbiased.co.uk](http://www.unbiased.co.uk) and they will give you details of advisers in your area.

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 Lifetime Allowance, 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.

 Signed: ..... Date: .....

Name: .....

## Frequently asked questions

### 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 Lifetime Allowance.

The Standard Lifetime Allowance over the last few tax years has been as follows:

Tax year	2013/14	2014/15	2015/16	2016/17	2017/18
<b>Standard Lifetime Allowance</b>	£1,500,000	£1,250,000	£1,250,000	£1,000,000	£1,000,000

Benefits from all of your pension arrangements count towards the Standard Lifetime Allowance. 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 Lifetime Allowance 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.

In addition, there are tax implications if you contribute more than your available Annual Allowance in a tax year and there is no tax relief available on personal contributions to a pension arrangement, where you are aged 75 and over.

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

This depends on whether you have benefits from a defined contribution (or 'money purchase') scheme or if you have a pension from a defined benefit scheme (sometimes called a 'final salary' or 'care' scheme).

#### Defined contribution scheme

We simply compare your fund value at retirement (before you take any cash) against the Standard Lifetime Allowance 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 Lifetime Allowance. If you take a cash lump sum it is tested at face value against the Standard Lifetime Allowance.

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

Most people are not affected by the Lifetime Allowance 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 Lifetime Allowance (or, in the case of Enhanced Protection, to be exempt from the tax applied when the Lifetime Allowance 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 Lifetime Allowance position, and whether you have enough unused allowance to take your benefits without additional tax implications. You will need to take into account any percentages 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 is the maximum permitted pension, but multiplied by 0.8 if your new crystallisation occurs after 5 April 2015).