

Home Counties Financial Services

PENSIONS UPDATE: APRIL 2015

Historic Lifetime Allowance Levels:

Tax Year	Lifetime Allowance
2015/16	£1.25 million
2014/15	£1.25 million
2013/14	£1.50 million
2012/13	£1.50 million
2011/12	£1.80 million
2010/11	£1.80 million
2009/10	£1.75 million
2008/09	£1.65 million
2007/08	£1.60 million
2006/07	£1.50 million

THE LIFETIME ALLOWANCE IS TO REDUCE TO £1 MILLION FROM 06.04.2016.

Lifetime Allowance Charges

The lifetime allowance charge applies to members who have benefits in excess of the lifetime allowance when benefits are taken. **The lifetime allowance charge can apply in either of two ways or a combination of both** depending on how the excess benefits are taken. The charge options are:

- ❖ 25% on any income taken, and
- ❖ 55% if taken as a lump sum.