

FOCUS

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Talbot & Muir is an independent company providing specialised pensions administration services and technical information for SSASs and SIPPs.

HMRC clarifies rules for your clients in Unsecured Pension (USP) between age 50 and 55

HMRC has now clarified its interpretation of the Finance Act 2004 for those clients who crystallised their pensions prior to 6th April 2010 whilst above the Normal Minimum Pension Age (NMPA) of 50 but are currently below the current NMPA of 55, and who either:

- (a) wish to transfer their USP to a new provider; or
- (b) wish to purchase a lifetime annuity or scheme pension.

Unfortunately, HMRC has confirmed that any pension benefits that may be paid by the new scheme following a recognised transfer under pension rule 1 in S165 FA 2004 need to meet the prevailing NMPA of 55. The position is the same for a new pension secured by the purchase of a scheme pension or lifetime annuity.

Whilst disappointing, we do now have a new government with a new pensions minister, Steve Webb. As members of the Association of Member Directed Pension Schemes, we will raise this at future opportunities to try and bring about a change.

We would be delighted to hear from you on any subject relating to SSAS or SIPP. Please contact:

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