

Focus on SIPP's

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The Ongoing Requirement for a Scheme Administrator

There is increasing concern amongst IFAs and their clients caused by the notification from some insurance companies that they intend to no longer act as scheme administrator to their Executive Pension Plans and Small Self Administered Schemes.

It now appears that the responsibility many took for granted as being included in their packaged product is optional and that, by distancing themselves from this responsibility, the onus is now being placed firmly at the feet of the scheme employer or member trustees, almost by default. It is not only insurance companies adopting this stance. They have been joined by a number of SSAS practitioners.

Why they are doing this appears all too evident. The potentially onerous reporting requirements and the potential tax liabilities, most notably the scheme sanction charge and de-registration charge that can befall the scheme administrator, does not make such responsibility a particularly attractive proposition.

Where this is happening to your clients' arrangements, please be mindful that Talbot & Muir Ltd and TM SIPP Services remain committed to acting as professional trustee and administrator to all of their SSASs and SIPP's. If your clients are considering transferring or assigning existing arrangements as a result of this action, then please do not hesitate to speak with us to see how we can assist.

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