

For customers

# Notice of joint liability for the annual allowance charge

You should read this note before completing the form.

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit [aegon.co.uk/additionalsupport](https://aegon.co.uk/additionalsupport)

Use this form if you want to pay part, or all, of an **annual allowance charge** using money from your pension. This is often referred to as scheme pays. The applicable scheme for this notice will depend on the plan you specify in section 2.

Words in **bold** are defined terms that we explain in the Definitions section.

You should only complete this form if:

- Your pension savings in the scheme to which this notice relates have exceeded the **annual allowance** for the tax year you specify in section 3.1.
- Your **annual allowance charge** based on the full **annual allowance**, across all of your pension savings in registered pension schemes, for the same tax year has exceeded £2,000.

If you have an **annual allowance charge** to pay because you have exceeded the **money purchase annual allowance** or your **tapered annual allowance**, your pension savings to the applicable scheme must also exceed the **annual allowance** for the relevant tax year.

If your pension savings are less than the **annual allowance** you are not able to use this form to pay your annual allowance charge.

There's a maximum amount of **annual allowance charge** you can request us to pay in section 3.2. You can only ask us to pay the amount of **annual allowance charge** that applies to the pension savings you have made in excess of the **annual allowance** to the relevant pension scheme.

If you have only made pension savings to the plan detailed in Section 2, this will be full amount of your **annual allowance charge**. If you have made pension savings to two or more pension schemes, the maximum you can ask us to pay will be the proportion that relates to the relevant pension scheme.

Calculating the amount of the **annual allowance charge** that relates to a pension scheme can be complicated. If you are unsure of the amount you should take to a financial adviser.

Any balance of your **annual allowance charge**, above the amount you ask us to pay in section 3.2, should be paid direct to HMRC by your normal self-assessment deadline (31 January following the end of the tax year in which the **annual allowance charge** arose).

You'll need to tell HMRC via your self-assessment tax return that you are liable to an **annual allowance charge**. You should complete the 'Pension savings tax charges' section and include the amount of the tax charge that is to be paid from your pension savings.

## Submitting this notice

If you want to pay an **annual allowance charge** for a tax year using money from your pension plan, then we must receive this notice no later than 31 July in the year following the end of the tax year to which the **annual allowance charge** relates. For example, if you want us to pay your **annual allowance charge** for tax year 2022/2023, then you must tell us no later than 31 July 2024.

This form is for using scheme pays where certain conditions are met. The conditions also allow scheme pays to be used where an annual allowance charge of £2,000 or more arises because a tax liability had changed for a previous tax year as a result of a change of facts. Where this applies, the scheme pays option can be only used for six years after the tax year in which the charge arises. If you want to use scheme pays on this basis please contact us to discuss.

You'll have to give us notice by an earlier date, if any of the events in section 4 take place.

You should speak to a financial adviser if you're unsure about any aspect of this form.

If contacting us by email, please don't include any personal, financial, or banking information as email isn't a secure method of communication. If you decide to send information in this way, you're doing so at your own risk as there's no guarantee that any email sent by you to us will be received or remain private during transmission. Where secure online journeys are available, please login to complete these.

## 1. Personal details

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Please complete this form in BLOCK CAPITALS and ballpoint pen.

Title

Mr / Mrs / Miss / Ms / Other – please specify

Full forename(s)

Surname

Permanent home address

<input type="text"/>
<input type="text"/>
<input type="text"/>
Postcode

Date of birth

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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National Insurance number

If you don't have a National Insurance number, please tell us why.

Email address (optional – only to be used for questions about your notice)

## 2. Plan details

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Which Aegon plan number does this notice relate to?

## 3. Annual allowance charge details

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3.1 Tax year that the **annual allowance charge** arises is

6 April 20  to 5 April 20

3.2 How much of the **annual allowance charge** (for the tax year specified in 3.1) do you want the scheme administrator to pay? This will be taken from the plan you confirmed in section 2.

£

Please note that normal disinvestment costs will apply which may result in a greater amount being disinvested from your plan than the amount you've stated above.

3.3 It's possible to amend a charge that you have previously requested the scheme administrator to pay using the mandatory scheme pays process. This section should only be completed where you want to request this. Is this notice a request to change the amount of **annual allowance charge** that you asked us to pay in an earlier notice for the tax year specified in 3.1?

No

Yes – you must submit this new notice to us no later than 31 July following the end of the period of six years from the end of the tax year to which the **annual allowance charge** relates. For example, if your **annual allowance charge** relates to the 2016/17 tax year, this new notice must be received by us no later than 31 July 2023.

## 4. Future event details

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4.1 Are you submitting this notice in the tax year that the **annual allowance charge** has arisen (as specified in 3.1)?

No – go to 4.2

Yes – complete the following questions about what events you expect or plan to happen in the tax year that the **annual allowance charge** has arisen.

a Do you intend to take all of your benefits under the scheme to which this notice relates in the tax year specified in 3.1?

No

Yes – on what date do you expect this to happen?

D	D	M	M	Y	Y	Y	Y
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b Will you reach age 75 in the tax year specified in 3.1 without taking all of your benefits under the scheme to which this notice relates?

This means you'll still have either:

- **uncrystallised funds**, or
- **drawdown funds** that started after 5 April 2006 that haven't been used to secure a **lifetime annuity** or a **scheme pension**

No

Yes

If you've answered Yes to a or b in 4.1 you must submit this notice to us before the date you take all of your benefits under the scheme, or the date you reach age 75, whichever is applicable.

4.2 Do you expect to take, or transfer, all of your benefits under the plan within the next 12 months?

No

Yes – on what date do you expect this to happen?

D	D	M	M	Y	Y	Y	Y
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## 5. Declaration

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- 5.1 I note that I can't withdraw this notice once submitted.
- 5.2 I give authorisation for funds to be disinvested proportionately across the plan detailed in section 2. I note that normal disinvestment costs will apply which may result in a greater amount being disinvested from my plan than the amount stated in section 3.2. This will be carried out by the scheme administrator as they see fit to meet the **annual allowance charge** specified at 3.2. We'll pay the amount of **annual allowance charge** stated in section 3.2 direct to HMRC.
- 5.3 I note that my future benefits under the plan will be adjusted to take account of the **annual allowance charge** that will be paid on my behalf by the scheme administrator.

- 5.4 I confirm that the amount of **annual allowance charge** that I'm liable for in the tax year stated in 3.1 exceeds £2,000, even though the amount shown in 3.2 may be lower.
- 5.5 I confirm that the amount specified in 3.2 was calculated at the correct relevant rate, as described in section 237B(4) of the Finance Act 2004. You should contact a financial adviser if you're uncertain about this calculation.

**If you intend to send this form electronically, please also confirm the following statement.**

- 5.6  I confirm that I've personally submitted this notice to the scheme administrator.

Date

D	D	M	M	2	0	Y	Y
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Member's signature

<b>X</b>	<b>X</b>
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It's an offence to give false information and to do so could lead to prosecution. It's your responsibility to make sure the information given in this form is accurate.

Please take particular care to check the amount you're asking us to pay to HMRC is correct. We'll not be responsible for the consequences if you state the wrong amount.

## 6. Definitions

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### Annual allowance

This is an upper limit, set by the government, on what you can save each year into all registered pension schemes without incurring a tax charge. This limit includes any contributions your employer makes. The current annual allowance is £60,000.

### Annual allowance charge

This is a tax charge you may have to pay if you exceed the **annual allowance**. However, the government will let you carry forward any unused **annual allowance** from the previous three tax years into the current tax year to increase your current **annual allowance**. If you are subject to the **tapered annual allowance** in 2016/17 or a later tax year, this may restrict the amount you are able to carry forward in the future.

### Drawdown funds

Some pension plans allow you to take a flexible, taxable income from your pension fund while still keeping your funds invested, this is known as a drawdown pension. The funds that are used to provide a drawdown pension under this type of plan are known as drawdown funds.

### Lifetime annuity

This is an annuity contract bought under a money purchase (or defined contribution) pension arrangement from an insurance company that you've chosen to provide you with an income for life.

### Money purchase annual allowance

The amount that can be paid by or for you into money purchase arrangements without a tax charge arising may be restricted to the money purchase annual allowance, which from 6 April 2023 is £10,000 per tax year. The restriction applies if you had a flexible drawdown plan at any time before 6 April 2015. It also applies if you take (or have already taken) certain types of pension benefit, including an uncrystallised funds pension lump sum or income from a flexi-access drawdown plan.

Special rules apply in the year that the money purchase annual allowance provisions first apply to you. Please speak to a financial adviser for more information.

### Scheme pension

This is an entitlement to a lifetime pension provided for you under a registered pension scheme that can't be reduced year on year (except in certain very limited circumstances).

### Tapered annual allowance for the tax year 2023/2024 onwards

If you have an adjusted income greater than £260,000 and your threshold income is greater than £200,000 then your **annual allowance** is reduced. For every £2 of adjusted income over £260,000 your **annual allowance** will be reduced by £1, subject to a remaining **annual allowance** of not less than £10,000. In other words, anyone subject to the taper whose adjusted income is £360,000 and over will have an **annual allowance** of £10,000. If you're also subject to the **money purchase annual allowance** rules, special rules will apply. If you think you're affected by this you should speak to a financial adviser.

### Uncrystallised funds

These are pension funds that haven't been used to provide you with benefits yet (so they've not 'crystallised').



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