DA Phillips & Co Ltd

SSAS

Small Self-Administered Scheme

Member's Guide

This document provides a summary of the key points of the D A Phillips & Co Ltd SSAS.
This is an important document. You should keep it safe for future reference.

defaqto 2018 SSAS

Moneyfacts SSAS 2018

About our SSAS

This guide gives information about the D A Phillips & Co Ltd Small Self-Administered Scheme (SSAS).

A SSAS is a type of company pension scheme that gives you a wide range of investment opportunities.

It is not suitable for everyone. If you are unsure about whether a SSAS is the right product for you then you should speak to your Financial Adviser before proceeding.

Our SSAS offers you the maximum control and flexibility over:

- **Contributions** – any level up to HM Revenue & Customs (HMRC) thresholds with no requirement to make any contributions if you don't want to.
- **Investments** – all investment options available, including commercial property and loans to your employer.
- **Benefits** – all pension drawdown options available, including the option to phase your retirement if you wish.

About this document

This document provides members and prospective members with the main features of our SSAS. For more information, please refer to your financial adviser, who will be able to advise you on all of the options available to you and identify which ones best match your needs.

The information provided in this document is a summary of our understanding of current law, HM Revenue & Customs and Department of Work and Pensions practice at the date the document was prepared. It should not be relied upon for detailed advice or as a statement of law. Please also note that current laws may change in the future.

Contents

Contact Us

D A Phillips & Co Ltd
Bridewell House
Bridewell Lane
Tenterden
Kent TN30 6FA

Tel 01580 762 555
Fax 01580 766 444
www.dapco.co.uk
enquiries@dapco.co.uk

1. THE BASICS

What is a SSAS?

A small self administered scheme (or SSAS) is a registered pension arrangement under Chapter 2 of Part 4 of Finance Act 2004. As such it qualifies for all of the tax advantages available to UK pension schemes.

It gives business leaders, their families and senior employees a wide choice over funding for their retirement, investment opportunities (including investments which involve their business) and the timing and nature of the benefits they take.

The SSAS is an occupational pension scheme, which means it is set up by an employer under trust for the benefit of certain of its employees. The employer may also invite non-employees to join the scheme. The SSAS is governed by a trust deed and rules and is a separate entity from the employer.

To benefit from the full flexibility of a SSAS, there must be fewer than 12 members of the scheme and all members must be trustees.

A SSAS is not suitable for everyone and you should speak to your financial adviser before proceeding.

The principal employer and participating employers

The business that establishes the SSAS is referred to as the principal employer. The principal employer needs to be trading and can be a limited company as well as a partnership or a sole trader (as long as the partnership or sole trader has employees). This means that firms of accountants and solicitors can also set up a SSAS for their business.

It is also possible for other employers to participate in the scheme, providing they execute the appropriate trust deed. These employers are referred to as participating employers.

The member trustees

Each member of the scheme is appointed as a trustee of the scheme which means that they have a great deal of control over how the scheme is invested (subject to the limitations set out below).

The Independent Trustee

In addition to the Member Trustees, D A Phillips & Co Ltd is appointed as the Independent Trustee of the scheme. The Independent Trustee and the Member Trustees jointly hold all assets of the scheme.

D A Phillips & Co Ltd also acts jointly with the member trustees as the Administrator of the scheme. In this role they have a joint responsibility to HM Revenue & Customs (HMRC) to ensure that the scheme is administered in accordance with the legislation and regulations. Breach of these rules can result in tax charges and may jeopardise the tax exempt status of the scheme.

The Principal Employer and the Trustees jointly appoint DP Administration Ltd to deal with the day to day administration of the scheme and to provide the services set out in the Administration Agreement.

Who is eligible to join the SSAS?

When the SSAS is first set up, the principal employer will decide who will be invited to join the scheme.

Anyone employed by the principal employer, or by a participating employer, may become a member of the scheme. It is also possible for family members who are not employees to become members.

However, members must be at least 18 years of age, as they are unable to act as a trustee of the scheme if they are a minor.

Eligibility is subject to satisfactory proof of identity and we may use electronic means to confirm this.

Once the SSAS is established, the Principal Employer can invite further members to join if it wishes up to a maximum of eleven members.

2. CONTRIBUTIONS TO YOUR SSAS

Introduction

Contributions can be made to your SSAS by your employer as well as by you personally.

Please note that you will not receive tax relief on personal contributions after your 75th Birthday.

Employer contributions

The principal employer and any participating employer can pay contributions to the SSAS to provide benefits for their employees. However, there is no requirement for them to do so.

Your employer can pay one off contributions at any time and they can also pay contributions on a regular basis. Regular contributions can be varied or stopped at any time.

Your employer's contributions are allowable as a deduction against corporation tax, provided they are made "wholly and exclusively for the purposes of its business". Your employer's accountant or tax adviser will be able to help them determine whether a proposed contribution will meet this requirement. They should take advice before any contribution is paid.

You will not normally be taxed personally on contributions made by your employer. However, please note that you will face tax charges if the total contributions made by you or on your behalf exceed the Annual Allowance after taking into account any carry forward (see below).

Personal contributions

You can also pay contributions to the SSAS yourself. However, as with employer contributions, you are not required to do so. If you do contribute then you can pay one off contributions at any time, or you can pay contributions on a regular basis. Your regular contributions can be varied or stopped at any time.

As with employer contributions, there is no limit on the amount of contributions you can pay. However you will only receive tax relief on contributions up to a certain amount. If you are a UK resident then you will get tax relief on contributions up to the higher of:

- £3,600 gross per annum, and
- 100% of relevant UK earnings (subject to the annual allowance) each year.

The annual allowance is currently £40,000. Depending on your circumstances a different level may apply. Further information can be found in the following sections.

You will receive tax relief at your highest marginal rate of income tax. This will normally be achieved by deducting the contribution from your salary before the tax is calculated. You should consult your employer if you want to pay personal contributions so that they can organise this.

Personal contributions are also covered by the annual allowance. This means that you will face tax charges if the total contributions made by you or on your behalf exceed the Annual Allowance after taking into account any carry forward (see below).

The Annual Allowance for contributions

The Annual Allowance is the maximum amount of contributions (personal and employer) that can be made to registered pension schemes each year which will receive tax relief. The Annual Allowance is currently £40,000.

You will exceed the annual allowance if, in a tax year, the total of all contributions (paid by you, on your behalf and by your employer) to your registered pension schemes when added to the increase in benefits under any final salary scheme exceeds £40,000.

Please note that the Money Purchase Annual Allowance rules restrict your annual allowance if you flexibly access any pension benefits. Details of this can be found in the Member Benefits section of this document. The Money Purchase Annual Allowance is currently £4,000.

Annual Allowance taper

If you have adjusted income of over £150,000 and your threshold income is more than £110,000 your annual allowance will be reduced by £1 for every £2 by which your adjusted income exceeds £150,000, subject to a maximum reduction of £30,000.

Please refer to our Tapered Annual Allowance Information Sheet for a detailed explanation and examples. We are not able to calculate an individuals tapered annual allowance and you should speak to your financial adviser and / or accountant.

Carry Forward of unused Annual Allowance

Subject to having been a member of any registered pension scheme for the years in question (even if you did not contribute anything), you can carry forward any unused Annual Allowance for a period of up to 3 years and make top-up contributions in later years. You can Carry Forward a maximum of the Annual Allowance for each of the previous three tax years, and this amount is reduced by the amount of the Annual Allowance you used during those years.

The carry forward of unused annual allowance is available for those subject to the annual allowance taper however the amount available will be based on the unused tapered annual allowance.

If the Money Purchase Annual Allowance rules apply to your SSAS then you will not be able to use Carry Forward.

Exceeding the Annual Allowance

If, having used carry forward, the total contributions still exceed the Annual Allowance then you will have to pay a tax charge on the excess. The tax charge is based on the marginal rate of tax relief received on the contribution and will be collected through your tax return.

Contributions and Enhanced Protection or Fixed Protection

If you have registered for Enhanced Protection (for funds built up before 6th April 2006), Fixed Protection 2012, Fixed Protection 2014 or Fixed Protection 2016 then you will lose this protection if any contributions are made to a pension scheme for you. More details about Enhanced and Fixed Protection can be found later in the 'Member Benefits' section of this guide. Special rules apply if you have Primary Protection.

3. TRANSFERS IN AND OUT OF YOUR SSAS

Transfers in

You can transfer benefits from your other registered pension schemes into your SSAS. This includes being able to transfer benefits where you have crystallised some or all of your benefits and are drawing a pension under Capped or Flexi Access drawdown (this is explained in the member benefits section below).

You can also transfer assets other than cash into your SSAS. This is known as an 'in specie' transfer. However, the investment must be one that is acceptable to D A Phillips & Co Ltd. Please provide us with details of the investments held under the transferring scheme so that we can determine whether they are permissible.

Transfers out

You can transfer your benefits held under the SSAS to another UK registered pension scheme at any time. Your transfer can be as cash, or as an in-specie transfer of assets (provided the receiving pension scheme can accept the assets in question).

The transfer will always be made to the trustees/administrator of the receiving scheme.

4. INVESTMENTS

Introduction

As a separate entity, your SSAS will have its own bank account which will receive all contributions and transfers in.

Our SSAS clients have a wide range of investment options. However, as a responsible SSAS administrator, we have placed restrictions on what your SSAS can and cannot invest in.

Our Permitted and Non-Permitted Investments Lists below set out generally what is allowable. The lists are principally determined by:

- **Taxable property** these are a category of investment that would incur high tax penalties if held in your SSAS, and
- **Non-Standard Investments** these are investments, which do not fall within the Financial Conduct Authority's definition of "standard investments", as they may be difficult to sell, be higher risk and are often inappropriate for SSASs.

If you are considering an investment which is not covered below then please send us full details so that we can determine whether it is viable. Please note that there will be a charge for us completing any due diligence. Our fee schedule is available from our website.

We reserve the right to sell any investment held in a SSAS at our sole discretion if we believe that continuing to hold it could jeopardise the registration of the SSAS or lead to a tax charge.

Please note that D A Phillips & Co Ltd and DP Administration Ltd do not give financial advice. You make all investment decisions with the help of your financial adviser (if you have one). We do not take any responsibility for the consequences of your investment decisions.

Permitted Investments

You have a wide range of investment opportunities, including:

- Bank and building society account deposits
- Cash
- Cash funds
- Bonds
- Exchange traded commodities
- Government and local authority bonds and other fixed interest stocks
- Physical gold bullion
- Investment notes (structured products)
- Shares in Investment trusts
- Managed pension funds
- National Savings and Investment products
- Permanent interest bearing shares (PIBs)
- Real estate investment trusts (REITs)
- Securities admitted to trading on a regulated venue such as stock exchanges and multi-lateral trading facilities. *
- UK Commercial Property and Land
- Units in Regulated collective investment schemes
- Loans made by your SSAS to your business

* Examples include the London Stock Exchange (LSE), the Alternative Investment Market (AIM) and all other venues/operators that have functions similar to an exchange or an MTF – that are authorised by a regulator or a governmental agency either in the EEA or in any third country. (Source: FCA Handbook Notice No. 28 December 2015)

We may however consider from time to time that some of these regulated venues are not on markets we would wish to hold in our SSAS. The current list can be found below.

Non Permitted Investments

Below is a list of investments not allowed in your SSAS. This list is not exhaustive, please contact us if you are unsure as to whether an investment meets the Permitted Investments criteria shown.

Taxable Property

- Residential property and any associated land
- Tangible moveable property (such as art, antiques, jewellery etc)
- Loans made by your SSAS to you personally
- Residential ground rents

Non-Standard Investments

- Unquoted shares – UK or overseas
- Unquoted loan notes and bonds
- Unregulated Collective Investment Schemes (UCIS)
- Closed-ended investments which are not realisable within 30 days
- Crypto currencies (such as Bitcoin and Ethereum)
- Intellectual property
- Futures and options
- Land banking
- Overseas commercial property
- Hotel Rooms
- Storage Pods
- Peer to peer lending
- Carbon credits
- Second hand traded endowment policies
- Burial plots
- Contracts for difference
- Forex trading
- Other special purpose vehicles and pooled investment structures meeting the Financial Conduct Authority definition of non-mainstream pooled investments

STOCK MARKETS OR EXCHANGES WHICH WE WILL NOT ACCEPT INTO YOUR SSAS

- NEX
- The International Stock Exchange (formerly known as the Channel Islands Stock Exchange)
- The Cayman Islands Stock Exchange
- GXG Official List
- GXG Main Quote
- The Rio De Janeiro Stock Exchange
- The Sao Paulo Stock Exchange
- Growth and Enterprise Market of the Irish Stock Exchange
- Enterprise Securities Market of the Irish Stock Exchange

This list is our current view of markets that we do not wish to hold in our SSAS. This list will be reviewed from time to time and we reserve the right to make any decision in relation to markets, trading venues or multi-lateral trading facilities as we deem appropriate.

Commercial property

The trustees can invest in commercial property (either freehold or leasehold). Commercial property also includes land whether development land, farmland or forestry. Apart from a small number of exceptions, there must be no residential element to the property being acquired.

Your SSAS can purchase property from your business or from you personally, as well as on the open market. Once owned, the property can be leased to your business or to an unconnected party. However, please note that all transactions must be "at arm's length". This means that where the property is being purchased from, leased to or sold to a connected party then the property value and rental value must be set by a professional valuation. The definition of connected is quite complicated, but includes the member(s), their close family, and any businesses that they are associated with.

SSASs are a very popular vehicle for holding the property that the member's business operates from. This is because the property is sheltered from the company's creditors and all capital growth and rental income accumulate tax free within the SSAS.

The trustees can register the SSAS for VAT if required, but please note that we cannot provide any tax advice.

If you are considering a property investment then please refer to our Property Notes which give more details about property investments within your SSAS.

Borrowing

The trustees can borrow funds to help finance the purchase and/or development of an asset, or to provide liquidity when needed. The maximum amount that can be borrowed is 50% of the net value of the SSAS immediately prior to the borrowing taking place, taking into account any existing borrowing. There is no additional provision for short term borrowing required to cover the VAT on the purchase of a property which is subject to VAT. The borrowing required for VAT must be included when determining whether there is sufficient scope to borrow within the 50% limit.

Loans

The trustees can make loans to the principal employer or to any participating employer provided they are a limited company, subject to the following five HMRC conditions:

1. The maximum amount that can be lent is 50% of the net asset value of the SSAS (subject to any existing lending).
2. The loan must be secured by a first legal charge over an asset which is of at least equal value to the loan and interest.
3. The interest rate must be commercial and at least base rate plus 1%.
4. The term must be no longer than five years.
5. The repayment terms must be equal instalments of capital and interest for each year of the loan.

The trustees cannot make loans to any member of the SSAS, or to anyone connected with a member.

If you are considering making a loan then please refer to our Loan Notes which give more details.

5. MEMBER BENEFITS

Overview

The level of benefits available from your SSAS will depend on your age and the size of your fund at the time you take them. The trustees will determine the value of your fund based on money paid into the scheme (in the form of contributions and transfers in) and on investment returns.

When you take your benefits the total value of all of your pension funds will be tested against the lifetime allowance. The lifetime allowance is currently £1,030,000. If this total value exceeds the lifetime allowance then there may be a tax charge on the excess (see details of the lifetime allowance and protections later in this section).

Timing of benefits

You may commence your benefits from your SSAS (known as 'crystallisation') at any time from age 55. There is no requirement for you to stop working or 'retire' when you take your benefits. You may be able to take your benefits earlier than age 55 in one of the following circumstances:

- You become seriously ill, or
- Your SSAS is made up of funds transferred from an existing pension with a lower pension age provided that the transfer to your SSAS complied with certain HMRC requirements

You can crystallise all or part of your fund**.** This means that instead of taking your benefits in one go, you could take your benefits in stages by crystallising portions of your fund so as to suit your own personal requirements.

What are my benefit options?

The options available are:

- A pension commencement lump sum and a pension income. The income can be taken either as Flexi Access Drawdown, Capped Drawdown (subject to certain criteria outlined) or an Annuity; or
- An Uncrystallised Funds Pension Lump Sum

Can I get help with understanding my options?

Taking your benefits is a complex process, which can lead to irreversible decisions. Taking large benefit payments from your SSAS may not be tax efficient or sustainable, especially if you are reliant on your pension to support you for the rest of your life. It is therefore essential that you have all of the information necessary to make an informed decision on what is best for you.

There are two main places that you can go to get help with understanding your options. These are:

- A financial adviser who is regulated by the Financial Conduct Authority
- Pension Wise, which is a Government service that offers free impartial guidance on your benefit options.

We will provide more details on these options when you come to take your benefits or on request.

The Pension Commencement Lump Sum

A Pension Commencement Lump Sum (sometimes called Tax Free Cash) is a tax-free payment that you can take at the time you crystallise your benefits. The maximum amount you can take is the lower of 25% of the fund you have crystallised and 25% of your available lifetime allowance.

Flexi Access Drawdown (FAD)

Flexi Access Drawdown (FAD) is a drawdown option that became available on the 6th April 2015. It allows you to continue to invest your Plan while drawing an income from it. There is no maximum limit on the amount of income that you can draw up to and including taking the whole FAD fund. The minimum is nil, meaning that you do not have to draw any pension if you do not wish to. All FAD payments are taxed as earned income.

You can draw your pension income through regular payments (either monthly, quarterly, half yearly or annually). You can also take one-off payments as and when needed and you can change the level you are taking at any time.

Taking an income under FAD will trigger the Money Purchase Annual Allowance rules (outlined below) which will reduce your annual allowance from £40,000 to £4,000 per annum for money purchase savings.

Capped Drawdown

Capped drawdown is the drawdown option that existed prior to the 6th April 2015. Like FAD, it allows you to continue to invest your Plan while drawing an income from it, but unlike FAD it is limited to a maximum annual amount set by HMRC. The minimum is nil, meaning that you do not have to draw any pension if you do not wish to. You can take any level of pension up to the maximum amount each year and can change the level you receive at any time. All Capped Drawdown payments are taxed as earned income.

Capped drawdown is not an option for members who crystallise their benefits for the first time after 6th April 2015. Members who had designated funds to Capped Drawdown prior to 6th April 2015 can continue with this option as long as they have not triggered the Money Purchase Annual Allowance rules. Taking more income than the current annual maximum calculated for your capped drawdown fund will result in the fund being automatically converted to a Flexi Access Drawdown fund and would trigger the money purchase annual allowance rules.

You can draw your pension income through regular payments (either monthly, quarterly, half yearly or annually). You can also take one-off payments as and when needed.

The maximum pension that you can take is 150% of the relevant Government Actuary Department (GAD) rate. This rate is determined by your age and returns from Government securities. We will apply this rate to the value of your crystallised fund at the time it is first used to provide pension drawdown and at each review.

We will review your maximum pension every three years until you reach age 75. From that point we will review your pension annually.

Lifetime Annuity

A lifetime annuity is an insurance company product which guarantees to pay you a regular income for the rest of your life. The level of pension that you receive under a lifetime annuity will depend on the size of your fund, your age and annuity rates at the time you purchase it. If you want your pension to continue to your spouse or other dependants on your death, for your pension to increase, or for a guarantee period to apply then this will reduce the initial pension that you receive. All annuity payments are taxed as earned income.

If you choose to have your pension paid in this way then you will cease to be a member of the SSAS and we will transfer your encashed SSAS fund to the insurance company of your choice. As a result, you will cease to have any involvement in the investment of your pension fund, which may be the right option if income security is an important factor.

You can buy an annuity at any time from your 55th Birthday. You can crystallise your benefits and purchase an annuity immediately, or you can draw an income through capped or flexi access drawdown and then purchase an annuity at a later time.

You can also buy the annuity all at once or in stages using cash from part of your SSAS fund.

Uncrystallised Funds Pension Lump Sum (UFPLS)

An Uncrystallised Funds Pension Lump Sum (UFPLS) is an alternative way of accessing your pension benefits which became available from the 6th April 2015. It can only be taken from funds not already in drawdown. It allows you to take a one off payment or series of payments whilst keeping the remainder of your pension uncrystallised.

You can normally take an UFPLS at any time from age 55 (or earlier if you meet the ill health conditions) and like drawdown it is not necessary to stop working or 'retire' when you take your benefits.

When you take an UFPLS payment, 25% of the payment will be tax free (like a PCLS) and 75% of the payment will be taxed as pension income at your marginal rate of income tax.

Taking an UFPLS payment will trigger the Money Purchase Annual Allowance rules (outlined below) which will reduce your annual allowance from £40,000 to £4,000 per annum for money purchase savings.

Money Purchase Annual Allowance Rules (MPAA)

Flexibly accessing your pension savings will trigger the MPAA rules which will reduce your annual allowance from £40,000 to £4,000 per annum for money purchase schemes (details of the annual allowance can be found in the contributions section). Money purchase schemes are ones which do not guarantee a level of pension in retirement. Your SSAS is an occupational money purchase scheme. Special rules apply to 'final salary' schemes. The MPAA rules will apply from the day after the trigger event occurred. The MPAA rules also prohibit the ability to carry forward any unused annual allowance.

The following actions will trigger the MPAA rules as you will have flexibly accessed your pension savings; taking an income under Flexi Access Drawdown (FAD); taking an Uncrystallised Funds Pension Lump Sum (UFPLS); taking a stand alone lump sum with Primary Protection; taking income under a flexible annuity.

The Lifetime Allowance

The Lifetime Allowance does not limit the size of your pension funds, but it does limit the amount that is tax privileged. Your SSAS will be tested against the Lifetime Allowance when you take your benefits (a benefit crystallisation event) and your funds will be tested when you reach age 75. The Lifetime Allowance is currently £1,030,000.

If you take benefits from your SSAS which are in excess of your remaining Lifetime Allowance then there will be a tax charge of:

- 25% on the excess if you take the excess as income (in addition to income tax on the income withdrawals), or
- 55% on the excess if you take the excess as a lump sum.

You had the option following the introduction of the Lifetime Allowance on the 6th April 2006 to apply for Enhanced and/or Primary Protection. These protections could protect your pension funds from the Lifetime Allowance tax charges that apply. You will have a certificate from HM Revenue & Customs if you benefit from one of these protections. If you have enhanced protection then any further contributions into any pension schemes would result in the loss of the protection.

The Government has since introduced Fixed Protection 2012, which locked your lifetime allowance at £1.8 million (so that it did not reduce to £1.5 million on the 6th April 2012). If you benefit from Fixed Protection 2012 then any further contributions after 6th April 2012 would result in the loss of the protection.

When the lifetime allowance reduced from £1.5 million to £1.25 million on 6th April 2014 the Government announced two other forms of protection – Fixed Protection 2014 and Individual Protection. If you benefit from Fixed Protection 2014 your lifetime allowance is locked at £1.5 million. The deadline for applying for Fixed Protection was 5th April 2014 and any further contributions after this date will result in the loss of the protection. If you had more than £1.25 million of private pension accumulated on 5th April 2014 you could have applied for Individual Protection. The deadline for applying for Individual Protection was 5th April 2017. The main difference between the two forms of protection is that Individual Protection gives you a protected lifetime allowance equal to the value of your pension savings on 5th April 2014. You can continue to accrue benefits under pension arrangements without the loss of your personalised lifetime allowance, but any pension savings in excess of your protected lifetime allowance will be subject to the lifetime allowance charge.

The lifetime allowance then reduced from £1.25 million to £1 million on 6th April 2016 and the Government announced two other forms of protection – Fixed protection 2016 and Individual Protection 2016. If you benefit from Fixed Protection 2016 your lifetime allowance is locked at £1.25 million. There is no deadline for applying for Fixed Protection 2016 however if you have made any contributions after 6th April 2016 you will not be able to apply for this protection. If you had more than £1 million of private pension accumulated on 5th April 2016 you can apply for Individual Protection 2016, providing you do not have Primary protection or Individual Protection 2014. Individual Protection 2016 gives you a protected lifetime allowance equal to the value of your pension savings on 5th April 2016. There is no deadline for applying for this protection and you can continue to accrue benefits under pension arrangements without the loss of your personalised lifetime allowance. Any pension savings in excess of your protected lifetime allowance will be subject to the lifetime allowance charge.

6. DEATH BENEFITS

Death benefits are available under your SSAS

The full value of your Plan will be used to provide lump sum and/or pension benefits to your spouse, civil partner and other beneficiaries. The Trustee of the SSAS has discretion to select who will receive the benefits, but will take account of any beneficiaries nominated by you in the Expression of Wish section of your SSAS Application Form or subsequently. You can complete a new Expression of Wish at any time.

Your beneficiaries can take their benefits as a lump sum. If you were under the age of 75 on death, then the lump sum death benefit will be tax free providing that payment is made within 2 years of your death, otherwise it will be taxed at the beneficiaries marginal rate of income tax. If you were over the age of 75 on death, then the lump sum is taxable at the beneficiaries marginal rate of income tax.

Your beneficiaries also have the right to take their benefits as a pension. Each beneficiary can take their pension through an annuity or flexi access drawdown. If you were under the age of 75 on death, pension payments to a beneficiary will be income tax free if designated within 2 years, otherwise they will be taxed at the recipient's marginal rate. If you were over 75 on death, then any pension payments will be taxed at the recipient's marginal rate.

Death benefits from a Lifetime Annuity

If you had purchased a Lifetime Annuity then any payments to your spouse and/or dependants would depend on the terms of that Annuity. If you provided for a spouse/dependants pension then this would be paid to them for their life. If you die shortly after purchasing the Annuity then payments would continue for any guaranteed period specified at the time of purchase.

7. FURTHER INFORMATION

About us

The administration of SSASs is not regulated by the Financial Conduct Authority (FCA). DP Administration Ltd and D A Phillips & Co Ltd do not conduct any regulated activities and so are not regulated by the FCA.

DP Administration Ltd and D A Phillips & Co Ltd do not give financial advice.

What to do if you have a complaint

If you are not satisfied with the service that you have received, then please write in the first instance to: Managing Director, DP Administration Limited, Bridewell House, Bridewell Lane, Tenterden Kent TN30 6FA.

If your complaint is not resolved to your satisfaction, then you can refer it to: The Pensions Advisory Service or The Pensions Ombudsman Service. Their details are available on request.

This will not affect your legal rights.

Additional information

Please contact your adviser or us for any additional information.

The information provided in this SSAS Member's Guide is a summary of our understanding of current law, HM Revenue & Customs practice and taxation at the date the document was prepared. Please note that current laws may change in the future.

The law of England and Wales will apply to all legal disputes.

DP Administration Ltd is registered in England at Bridewell House,
Bridewell Lane, Tenterden, Kent TN30 6FA. Registered No. 4622475.

D A Phillips & Co Ltd is registered in England at Bridewell House,
Bridewell Lane, Tenterden, Kent TN30 6FA. Registered No 2120249.

Phone: 01580 762 555.
Fax: 01580 766 444.
Email: enquiries@dapco.co.uk
Website: www.dapco.co.uk

April 2018