Sippchoice THE SIPP SPECIALIST

Sippchoice Bespoke SIPP

Contribution Form (from 6 April 2019)

If you and/or your employer would like to pay any contributions to your SIPP then please read the notes at the end of this form and then complete this form and return it to us at:

Dentons Pension Management Limited, Sutton House Weyside Park Catteshall Lane, Godalming GU7 1XE

Please note that:

- all cash contributions will be held in your SIPP bank account until you arrange for them to be invested
- if you have elected enhanced or fixed protection then you will lose this protection if you, or your employer, make any contributions to your SIPP.

A Member's details

Forename(s)	
Surname	
Date of birth	
SIPP membership number (if known)	

B Personal contributions

Personal contributions must be paid net of basic rate income tax. We will then reclaim this tax from HM Revenue & Customs - this can take up to 11 weeks - and then pay it into your SIPP bank account.

One-off contribution	£	(net of basic rate income tax)		
	Payable on			
	Please pay this contribution in one of the following ways: **1. By cheque made payable to 'Sippchoice-[your name]'.** **2. By BACS or CHAPS transfer to your SIPP bank account (details of which are provided when you join the SIPP).**			
Regular contributions	£	per month (net of basic rate income tax)		
	Commencing on			
	Please contact your bank to arrange a Standing Order.			
Anti-money laundering requirements	**Please indicate which of the following represents how your personal contributions will be funded.**			
	Income from employment or self-employment		Savings or investments	
	Gift		Lottery or other winnings	
	Inheritance		Divorce settlement	
	Other (please specify)			

C Third party payments

Will your personal contributions be paid by a third party (other than your employer)?	Yes ☐ No ☐ **If 'Yes' then please provide details below of the third party who will pay your personal contributions, their connection to you and why they are paying contributions for you.** Note: we are not permitted to process the contribution until we have verified the identity of the third party.

D Employer contributions

Employer contributions must be paid gross.

Employer's name		
Employer's address		
Company number		
One-off contribution	£	(gross)
	Payable on	
	Please pay this contribution in one of the following ways: **1. By cheque made payable to 'Sippchoice-[your name]'.** **2. By BACS or CHAPS transfer to your SIPP bank account (details of which are provided when you join the SIPP).**	
Regular contributions	£	per month (gross)
	Commencing on	
	Please contact your bank to arrange a Standing Order.	

E Member's request

Member's signature	
Date	

Notes

1. You can pay contributions into your SIPP on a regular basis or you can make one-off contributions from time to time. Furthermore, contributions can be paid at any time. There is no minimum requirement on the contributions that can be made to your SIPP.

2. There is no limit on the amount that can be paid into your SIPP by you or by anyone else on your behalf but there are restrictions on the amount of tax relief available. There are three separate, but inter-related, main rules on pensions tax relief, as follows.

   (a) If you are under 75 then tax relief is available in each tax year on your personal pension contributions up to 100% of your 'relevant UK earnings'. There is no limit to the amount of tax relief available in this way but see (c) below. If your relevant UK earnings are less than £3,600 then for these purposes you are able to receive tax relief on contributions up to £3,600

(b) Your employer's pension contributions will normally be allowable for corporation tax relief as long as the employer's Inspector of Taxes is satisfied that they are 'wholly and exclusively' for the purposes of its trade. Again, there is no limit to the amount of tax relief available in this way but see (c) below.

(c)) If the total of any contributions paid by you and your employer in any tax year exceed the Annual Allowance for that tax year then the excess will be subject to the Annual Allowance Charge, i.e. it will be added to your income for tax purposes and taxed accordingly.

Note: The test against the Annual Allowance does not apply to contributions made in the tax year in which the individual dies or retires because of serious ill-health.

3. All contributions, except employer contributions, paid to your SIPP will be treated as paid net of basic rate income tax. Provided you are under the age of 75 at the time the contribution was paid. We will reclaim this tax from HMRC (this can take up to 11 weeks) and then add it to your pension fund. If you are a higher-rate taxpayer then you can also claim higher-rate tax relief on your personal contributions through your tax return (as long as you were under the age of 75 at the time the contribution was paid). Employer pension contributions are paid gross.

4. The Annual Allowance for the tax year from 6 April 2019 to 5 April 2020 is £40,000. However, this will normally be reduced on a tapered basis for high earners, i.e. those individuals whose 'adjusted income' in the tax year exceeds £150,000. For those individuals affected, the Annual Allowance will be reduced by £1 for every £2 that the 'adjusted income' exceeds £150,000, up to a maximum reduction of £30,000.

   'Adjusted income' means the individual's income from employment (adding back any employer pension contributions) and self-employment plus investment income. Any salary sacrifice arrangements set up on or after 9 July 2015 will be added back to income for the purpose of the £150,000 income test.

   As an exception to this rule, the Annual Allowance will not be reduced for high earners whose 'adjusted income' before adding back any employer pension contributions (known as their 'threshold income') is £110,000 or less. This allows for individuals who would not usually be affected by the reduced Annual Allowance but receive a one off increase in their employer pension contributions in a tax year that takes their 'adjusted income' above £150,000.

5. Individuals can carry forward any unused Annual Allowance from the previous three tax years as long as they have been a member of a registered pension scheme at some time during the tax year for which contributions are being carried forward (regardless of whether they actually made any contributions during that year).

6. For the 2019/20 tax year carry forward will be available against an Annual Allowance of £40,000 for each of the three immediately preceding tax years. The Annual Allowance, for carry forward purposes, will be reduced on a tapered basis for high earners, as set out in 4 above. There is a strict order in which an individual can use up their Annual Allowance - the Annual Allowance in the current tax year is used up first, followed by the unused Annual Allowances for the three earlier years, using the earliest year first.

   Note: Contributions relating to the carry forward facility can be paid to any registered pension scheme by the individual and/or the individual's employer and will be subject to the usual rules on pensions tax relief - see 2. above.

7. If you take any income under flexi-access drawdown, or you receive an uncrystallised funds lump sum, then pension contributions of up to £4,000 pa (the 'Money Purchase Annual Allowance') can be paid by, or for, you to your SIPP (and to any other defined contribution schemes) in any tax year without being subject to the Annual Allowance Charge. Contributions in excess of this will be subject to the Annual Allowance Charge. Also, the carry forward facility is not available if the Money Purchase Annual Allowance applies.

8. If you are a Scottish taxpayer please refer to the notes below which explain the method of tax relief applicable to the different rates of income tax payable in Scotland:

   - Basic rate (for both Scottish taxpayers and taxpayers elsewhere in the UK).

     We will continue to claim tax relief at the basic rate of 20%.

- Scottish starter rate.

  If you live in Scotland and you pay the Scottish starter rate of Income Tax at 19%, we will still claim tax relief at 20% and HMRC won't ask you to repay the difference. So you don't need to take any action or pay anything back to HMRC relating to pension tax relief.

- Scottish intermediate rate.

  If you live in Scotland and you pay the Scottish intermediate rate of Income Tax at 21%, we will claim tax relief at 20%.

  As you're entitled to an additional 1% of tax relief on your pension contributions, you'll be able to claim this from HMRC. HMRC won't pay this into your SIPP but will adjust your tax code so that you get this tax relief through your pay. You can claim this by contacting HMRC if you don't already complete Self Assessment returns, or through your Self Assessment tax return if you do.

- Higher or top rate (for both Scottish taxpayers and taxpayers elsewhere in the UK).

  If you pay higher or top rate of Income Tax, you can continue to claim this additional tax relief from HMRC as you do now in your Self Assessment tax return or by contacting HMRC. You can do this whether you live in Scotland or elsewhere in the UK.

Dentons Pension Management Limited Registered office: Sutton House Weyside Park Catteshall Lane Godalming GU7 1XE

tel: 01483 521 521 **fax:** 01483 521 515 **email:** info@dentonspensions.co.uk **web:** www.sippchoice.co.uk