



# Foresters a comfortable retirement

## Factsheet 2019/20 tax year

**This factsheet should be read in conjunction with the Personal Pension Brochure.**

### Information about pensions

This factsheet summarises when and the amount you may receive from your state pension, as well as limits that apply to your overall pension contributions and benefits.

#### At what age can I receive my state pension?

Between 2019 and 2020 the state pension age for both men and women is due to increase to age 66 and between 2026 and 2028 the state pension age is due to increase to age 67. Under the current law, the state pension age is due to increase to 68 between 2044 and 2046.

Following a recent review, the government has announced plans to bring this timetable forward. The state pension age would therefore increase to 68 between 2037 and 2039.

#### What will the state pay me?

If you reach state pension age on or after 6 April 2016 you will receive the new 'single tier' State Pension. The full new State Pension is £168.60 per week for 2019/20. The amount you will get can be higher or lower depending on your National Insurance Record. It will only be higher if you have over a certain amount of Additional State Pension. You will usually need 10 qualifying years to get any new State Pension.



## Lifetime Allowance and Annual Allowance limits

### What is the limit on contributions to my Personal Pension Plan?

The individual contributions up to the maximum eligible for tax relief are the higher of £3,600 per annum or 100% of your relevant income. Employer contributions are paid gross and can be paid in addition.

If total contributions in a tax year exceed the Annual Allowance they may be subject to a tax charge called the Annual Allowance Charge.

The standard Annual Allowance of £40,000 (for 2019/20) is reduced for high earners on a tapering basis by £1 for every £2 of income above £150,000 subject to a minimum Annual Allowance of £10,000.

If you have previously flexibly accessed any pension savings, contributions to your Personal Pension Plan will be subject to a Money Purchase Annual Allowance of £4,000.

### What is the total limit on benefits from my Pension Savings?

You may be subject to a tax charge if you build up total pension funds in excess of the Lifetime Allowance. The Lifetime Allowance is £1.055m for 2019/20.