



## NOTES

### (a) What benefits can be paid, and to whom ?

- a lump sum can be paid to a wide range of persons including relatives, dependants, beneficiaries of your estate and (most relevant here) any person nominated by you;
- a pension can only be paid to a dependant (which includes a spouse / civil partner / child under age 23, as well as anyone actually dependent on you);
- both lump sums and pensions can be paid. Lump sums are currently free of tax if paid out of 'uncrystallised' funds (and within the member's unused lifetime allowance) but are subject to a free-standing 55% tax charge if paid out of 'crystallised' funds (which normally means funds being used for drawdown or the whole of the fund where the member has passed aged 75), while pensions will be taxed as income in the hands of the recipient
- a lump sum to a charity nominated by you or (if you don't nominate any) selected by the Trustees/ scheme administrator;
- pensions for dependants.

**(b) Where you specify a person who could qualify for either a lump sum or pension, you don't need to express any preference for which they should receive. The Trustees can either decide this themselves or let the relevant person decide.**

**(c) You may change or withdraw your expression of wishes at any time by notifying the Trustees in writing.**

**(d) There are legal and practical difficulties in making payment to dependants under the age of 18. If you wish to provide for minors as potential beneficiaries, you are advised to set up an appropriate trust with your solicitor, if you do not already have one, and provide the relevant details in the form above. In the absence of such a trust, death benefits may be paid to your personal representatives.**

**(e) If there is any further information which you think may help the Trustees, please provide it on a separate sheet.**

### When reading these notes, please bear in mind that:

- References to tax do not include inheritance tax. Currently most lump sum payments on death are free of inheritance tax, because the recipient(s) are chosen by the Trustees (this is the main reason why this form is an "expression of wishes" rather than a binding instruction);
- you can nominate charities and other organisations, not just individuals;
- the notes are intended to be a short and easily understood summary of the rules of the Scheme and very complex tax legislation as at the date of publication. They do not override those rules or legislation and are not a substitute for specific legal advice.

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