

# Guide for completing the transitional tax-free amount certificate information request form

**Historically, the lifetime allowance (LTA) was the total amount of pension savings (apart from your State Pension) that you could build up while still getting the full tax benefits. From 6 April 2024, the lifetime allowance is replaced by three allowances:**

- the lump sum allowance (LSA)
- the lump sum and death benefit allowance (LSDBA)
- the overseas transfer allowance (OTA)

You can find out more about these on our website: [fidelity.co.uk/clients/lifetime-allowance-changes](https://fidelity.co.uk/clients/lifetime-allowance-changes)

A transitional tax-free amount certificate is a document which allows scheme members - or personal representatives of a person who has died - to show how much LSA and LSDBA they have used (and therefore how much of it remains) when they access their benefits after 6 April 2024.

The certificate confirms the registered pension scheme's administrator is satisfied as to the:

- amount of LSA used pre 6 April 2024
- amount of LSDBA used pre 6 April 2024

You should only apply for the certificate from the registered pension scheme from which you're planning to take the first payment from after 6 April 2024 or if you need to calculate the LSDBA in respect of a person who has died.

You'll need to send evidence of all pension withdrawals made before 6 April 2024.

You can't make an application if a relevant benefit crystallisation event (RBCE) has happened after 6 April 2024 that has already used some - or all - of the LSA or LSDBA.

Once you've applied, we have three months in which to either issue a certificate or let you know that the certificate has been refused, and why.

## Important information

In some circumstances, getting a transitional tax-free amount certificate would result in a higher figure for the LSA and LSDBA used than if you hadn't got one.

That's because providers use different calculations to work out the amount of LSA and LSDBA used for people who have certificates and those who don't.

When we get your application, we'll compare the different calculations and only issue a certificate if this produces higher remaining LSA/LSDBA figures.

If we do send you a certificate, you'll need to show it to any provider you later take pension benefits from. You shouldn't try to get a certificate from more than one provider.

If you decide you no longer want a certificate, please don't continue with your application.

This guide tells you how to complete the Information Request form for either:

- yourself, or
- as a personal representative acting on behalf of someone who has died.

The form must be complete and accurate, and all evidence/copies of certifications submitted at the same time the form is returned. If you don't know the details, then please contact the provider who made the payment and get the information from them before you fill in the form. This form must include the details of all pension schemes held, including Fidelity schemes.

You must tell us straight away if any of the information you have provided changes.

## How to complete the form

### Question 1

We can't provide you with a transitional tax-free amount certificate if pension benefits were not accessed before 6 April 2024 – or if a tax-free withdrawal has been taken from a pension arrangement after 6 April 2024. Any request for one will be declined.

If the above doesn't apply, we need you to tell us if you need the certificate because you want to withdraw money from your pension account. This is because the certificate must be issued **before** any withdrawal post 6 April 2024.

If you've sent in a withdrawal request at the same time as requesting a certificate, we'll put your withdrawal on hold until we've finished the work we need to do to produce a certificate.

We can't guarantee how long it will take to issue you with a certificate. By law, we have up to three months – but we'll aim to get it done (if applicable) as soon as we reasonably can.

### Question 2

If an application for protection against the lifetime allowance has been made to HM Revenue and Customs (HMRC) - or an application for an enhancement factor to the lifetime allowance has been made in relation to a pension credit or a transfer in from money in an overseas pension scheme - and you have received an HMRC Protection Certificate or email of confirmation of protection, a higher LSA and LSDBA starting point will apply.

For this reason, we need to know which protections (if any) you have. As well as filling in the form, the evidence we can accept includes:

- a copy of the protection certificate
- a copy of the email confirmation received from HMRC
- a letter stating your protection certificate number and your scheme administrator number (found on your personal tax return) so we can look up your certificate online. If we can't find it, we'll need copies of the certificate.

### Question 3

We need to know about the value of pension savings already accessed and the percentage of LTA used before 6 April 2024, so these can be converted into respective LSA and LSDBA amounts.

#### Question 3.1

This asks you a qualifying question about whether or not any pension benefits have already been withdrawn.

#### Question 3.2

This relates to any pension withdrawals taken prior to the LTA regime being introduced on 6 April 2006.

If benefits were taken between 6 April 2006 and 6 April 2024, you don't need to tell us about benefits taken prior to 6 April 2006. That's because these will already have been taken into consideration when the first pension withdrawal after this date was taken.

If no benefits have been taken since 6 April 2006, please tell us the amount of any tax-free cash that was taken and the amount of the initial gross pension income that was received. (This was the only option at that time.) Please provide us with a copy of the payment confirmation letter and the letter confirming that an annuity was set up.

#### Question 3.3

This relates to any pension withdrawals between 5 April 2006 and 6 April 2024.

This section allows you to tell us about:

1. Any payments where only tax-free cash was taken.
2. Any payments where a tax-free cash payment was made, and then pension savings were used to buy a regular income payment or were moved to a drawdown account to take further withdrawals from.
3. Any lump sum payments where part of the payment was tax free and part of the payment was taxable as income.

These withdrawals and any funds used to place money into drawdown or buy a lifetime annuity (regular income) will have been measured against the LTA when they were taken.

Note: You **don't** need to tell us about any taxable withdrawals taken from funds placed in drawdown – as these will have already been tested against the LTA when they were first designated to drawdown.

You **do** need to tell us about:

- Tax-free cash received - including any serious ill health payments (please mark up on the form if a tax-free serious ill health payment was taken). Please also mark up on the form if the tax-free cash received was protected tax-free cash (i.e. tax-free cash that was more than 25% of the pension fund's value at the time).
- Any uncrystallised funds pension lump sums - these are lump sums that would have been paid out with 25% of the payment being tax free, and the remainder taxable as income. There would have been no designation to drawdown for the payment of this type of lump sum.

In all cases, please state the percentage of standard lifetime allowance used by the payment (or if you have an HMRC protection, the percentage used against your protected amount) - which should have been provided by the provider making the payment.

Please send us copies of all payment confirmation letters and LTA certificates received.

You **don't** need to tell us about:

- Small pot payments or trivial lump sums - payments where the residual value of the pension fund was £10,000 or less and the payment used up all the funds in that pension account. If you're not sure whether the payment was a small pot/trivial lump sum, please ask the pension provider who made it.

#### Question 4

Please only complete this section if money was transferred from a UK pension scheme to an overseas pension scheme.

The pension provider would have provided the LTA percentage used when the money was transferred. If you have protected LTA, please tell us whether the percentage has been measured against the standard LTA or whether it has been measured against your protected LTA.

Please send us copies of the transfer confirmation letters and LTA certificates issued by the provider.

#### Question 5

Please only complete this section if you were aged 75 or over before 6 April 2024.

Irrespective of whether pension benefits had been previously taken, all benefits were measured against the lifetime allowance when members reached age 75. The provider of the pension scheme will have sent a notification stating the LTA percentage used at age 75.

Please provide us with a copy of the LTA certificate issued by the provider.

#### Declaration

Please read the Declaration carefully and make sure you understand it before signing and dating the information request and sending it back to us.

