

NORTHERN IRELAND FIRE & RESCUE SERVICE

FIREFIGHTERS' PENSION SCHEMES

**Finance Act 2004: Lifetime Allowance
Declaration of Benefits from all Sources and Recycling of Pension Lump Sums**

You have been given this Form because a pension under the Firefighters' Pension Schemes (FPS) and New Firefighters' Pension Scheme (NFPS) is due to come into payment. Please read the accompanying notes, then complete the Forms and Declarations as instructed. When completed, the Form should be returned to:

**The Pensions Manager
Fire & Rescue Service Headquarters**

PERSONAL DETAILS:

SURNAME: _____ FORENAME(S): _____

EMPLOYING BODY: _____

DATE OF BIRTH: _____ NATIONAL INSURANCE NO: _____

DATE AT WHICH PAYMENT OF FPS PENSION DUE ("DUE DATE"): _____

SECTION A – NO OTHER PENSIONS IN PAYMENT AT DUE DATE

If the following statement applies to you, tick the box and complete the Declaration below. Now turn to Page 5 'Recycling of Pension Lump Sums'.

- At the due date, ie, the date at which I am entitled to receive payment of benefits from my Fire & Rescue Service under the Firefighters' Pension Schemes, I will not be receiving any other pension benefits under the Firefighters' Pension Schemes from any other Fire & Rescue Service, or any other registered pension schemes, and will not have had a transfer of any pension benefits to an overseas arrangement.

DECLARATION

I certify that the statement I give above is correct to the best of my knowledge. If tax becomes payable because the statement is proven to be incorrect then I understand that I will be wholly and personally liable for the tax charge due and any resultant penalty as may be imposed by HM Revenue & Customs.

SIGNED: _____ DATE: _____

If you will have other pensions in payment or an overseas transfer at the due date, please complete the following sections as appropriate and sign the Declaration at the end of the Form. Then complete the Recycling of Pension Lump Sum form on Page 5.

SECTION B – PENSIONS IN PAYMENT BEFORE 6 APRIL 2006

If the following statement applies to you, tick the box and give details. If there is insufficient space, continue the details on a separate piece of paper. Complete any other section which applies and sign and date the Declaration at the end of the Form.

I am in receipt of pension benefits that commenced before 6 April 2006.

Details:

	Annual rate of pension in payment (before deduction of any tax) on due date	Annual rate of pension in payment (before deduction of any tax) on 5 April 2006
Pension 1	£ _____	£ _____
Pension 2	£ _____	£ _____
Pension 3	£ _____	£ _____
Pension 4	£ _____	£ _____
Pension 5	£ _____	£ _____

SECTION C – PENSIONS THAT WILL HAVE COMMENCED IN PAYMENT ON OR AFTER 6 APRIL 2006 AND BEFORE THE DUE DATE

If the following statement applies to you, tick the box and give details. If there is insufficient space, continue the details on a separate piece of paper. Complete any other section which applies and sign and date the Declaration at the end of the Form.

I am in receipt of pension benefits that commenced on or after 6 April 2006.

Details:

	Percentage of Lifetime Allowance (at the time that the benefit was taken) that the total benefit taken represents	Date benefit was taken (date of retirement)
Pension 1	% _____	
Pension 2	% _____	
Pension 3	% _____	
Pension 4	% _____	
Pension 5	% _____	

SECTION D – PENSIONS THAT WILL COMMENCE IN PAYMENT ON THE DUE DATE

If the following statement applies to you, tick the box and give details. If there is insufficient space, continue the details on a separate piece of paper. Complete any other section which applies and sign and date the Declaration at the end of the Form.

I have other pension benefits that are due to come into payment at the due date.

Details:

	Percentage of Lifetime Allowance that the total benefit taken represents	The benefit will be treated as being paid before or after the FPS benefit due from the Fire & Rescue Service
Pension 1	_____ %	Before * / After *
Pension 2	_____ %	Before * / After *
Pension 3	_____ %	Before * / After *
Pension 4	_____ %	Before * / After *
Pension 5	_____ %	Before * / After *

*Delete as appropriate

SECTION E – OVERSEAS TRANSFERS OUT ON OR AFTER 6 APRIL 2006

If the following statement applies to you, tick the box and give details. If there is insufficient space, continue the details on a separate piece of paper. Complete any other section which applies and sign and date the Declaration at the end of the Form.

A transfer of my pension benefits has been made (or is due to be made) to an Overseas pension arrangement on or after 6 April 2006 and before the due date.

Details:

	Date of Transfer	Amount Transferred
Pension 1	_____	£ _____
Pension 2	_____	£ _____
Pension 3	_____	£ _____
Pension 4	_____	£ _____
Pension 5	_____	£ _____

If you have completed Sections B to E, sign the Declaration below. If you have completed Section A, sign the Declaration on page 1 only.

DECLARATION

I certify that the statement(s) I gave previously and the information I have provided are correct and complete to the best of my knowledge. If tax becomes payable because the statement and information I have given prove to be incorrect then I understand that I will be wholly and personally liable for the tax charge due and any resultant penalty as may be imposed by HM Revenue & Customs.

SIGNED: _____ DATE: _____

Now turn over to page 5 and complete 'Recycling of Pensions Lump Sums declaration'

Recycling of Pension Lump Sums

Please read the NOTE below, and then answer these questions. We will use your answers to assess whether a tax charge may apply.

- 1 Do you intend to use any part of your lump sum to fund additional contributions to a pension scheme or to any other pension arrangement?

Yes No

If the answer is YES, please answer the question below:

- 2 How much of your lump sum do you intend to pay into a pension arrangement (this includes Additional Voluntary Contribution arrangements under rule G6 of the FPS and Part 11, Chapter 2 of the NFPS)?

£ _____

Declaration

I certify that the information given is correct and completed to the best of my knowledge and belief.

Signed:

Name (IN CAPITALS):

Date:

Please note: You must sign and return this form fully completed before we can pay your pension benefits.

NOTE

If you intend to use part, or all, of your pension lump sum to fund additional contributions to a pension scheme, or to any other pension arrangement, this is known as “recycling” and special tax rules may apply. If you break the recycling rules you will have to pay a tax charge of between 40% and 55% of the value of your pension lump sum. The recycling rules will not affect you in the following circumstances:

- If your pension lump sum together with any other pension lump sum paid in the preceding 12 months is less than 1% of the Lifetime Allowance at the time it is paid. (In 2006-07 the limit is £15,000 = 1% of £1,500,000.)
- If the contribution you intend to pay, or have paid in anticipation of receiving your pension lump sum, is less than 30% of the pension lump sum. If you increase your contributions in the two tax years up to your retirement as well as in the tax year that your pension lump sum is paid, you will fall foul of the recycling rule if this is a pre-planned means of using the lump sum payable at a future date, for example, by using the lump sum to replenish savings that you have used to make contributions to a pension arrangement.

You can find guidance on recycling in Her Majesty’s Revenue and Customs’ (HMRC) Registered Pension Scheme Manual from RPSM04104900 onwards and at RPSM12200035 on their website at:

www.hmrc.gov.uk/pensionschemes

Further details can be found on the HMRC website at:

www.hmrc.gov.uk/pensionschemes/fb_guidance.pdf

HMRC has the power to look into individual cases to see if the recycling rules have been broken. If after reading the HMRC guidance notes, you are still unsure whether the recycling rules affect you, you should speak to an independent financial advisor or contact HMRC at the address below:

HM Revenue & Customs
Audit & Pension Schemes Services
Yorke House
Castle Meadow Road
Nottingham NG2 1BG