

Annual Allowance Estimator Tool

About the Annual Allowance Estimator Tool:

The 'your questions answered' leaflet which explains the background to the annual allowance and how it operates, must be read prior to using the estimator tool

This tool enables members to estimate whether the annual allowance of £50,000 may be exceeded in the tax year 2011/12

The estimator is based on draft legislation – which may be subject to change

The estimator cannot be used to accurately calculate annual allowance usage, and must not be used for any other purpose than as a guide to whether the annual allowance may be exceeded

Users will need to add any money purchase contributions including any NHS MPAVC's to the 'total' figure to ascertain the total annual allowance used

For the purposes of the calculation CPI (Consumer Prices Index) has been assumed at 3.1%

Part time members need to use their scaled membership and whole time equivalent pensionable pay. These can be requested from your pension officer

The amount of added years purchased as at the start and end of the PIP (Pension Input Period) may be requested from your pension officer

Additional pension cannot be catered for in the calculator

A tax charge may be able to be reduced or eliminated through the use of the carry forward provision

HSC Pensions does not accept any liability whatsoever for the accuracy or otherwise of the estimator

Instructions

Pensionable pay will normally need to be estimated as at 31 March in any one year and as at 31 March in the following year for input into the start and end of the PIP.

The user will need to estimate pensionable service in years and days at the start and end of the period:

For example, for a full time member, their pensionable service at the start of the period will be 14 years and at the end of it will be 15 years, as they have accrued an additional 1 year's service in the PIP

A part time member who has always worked 50% of full time hours, who had 10 years at the start of the PIP, will have 10 years 182 days at the end of the PIP.