

30th November, 2022

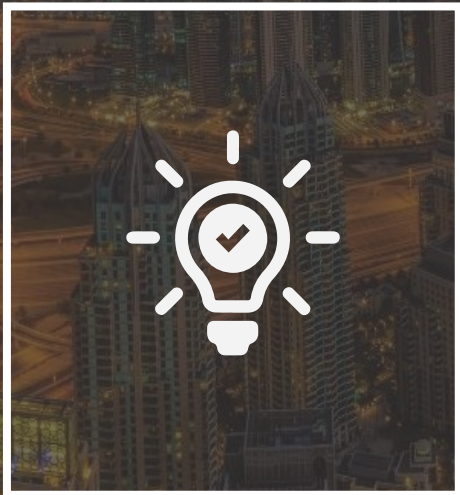
FEIFA Masterclass Honey, I shrunk the LTA...

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novia
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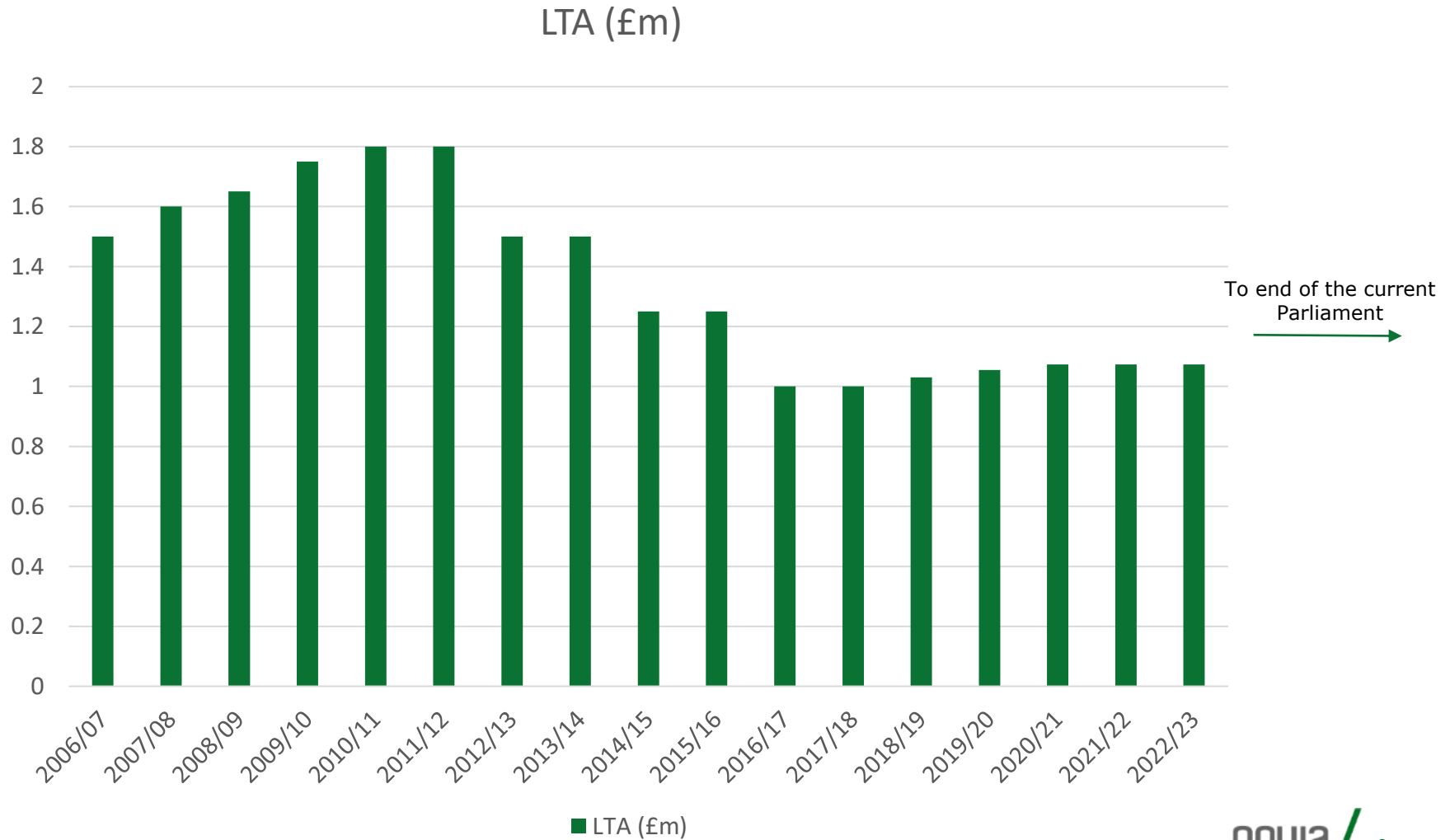


The Lifetime Allowance



- The overall limit of tax relieved UK pension funds that can accrue, before a Lifetime Allowance tax charge applies
- Charge is 55% or 25% on excess depending on how benefits are accessed
- The standard Lifetime Allowance is currently £1,073,100 (2022-2023)
- Introduced in 2006 as part of 'Pensions Simplification'
- Cap on what can access – even though a cap (Annual Allowance) **on what can put in?!**

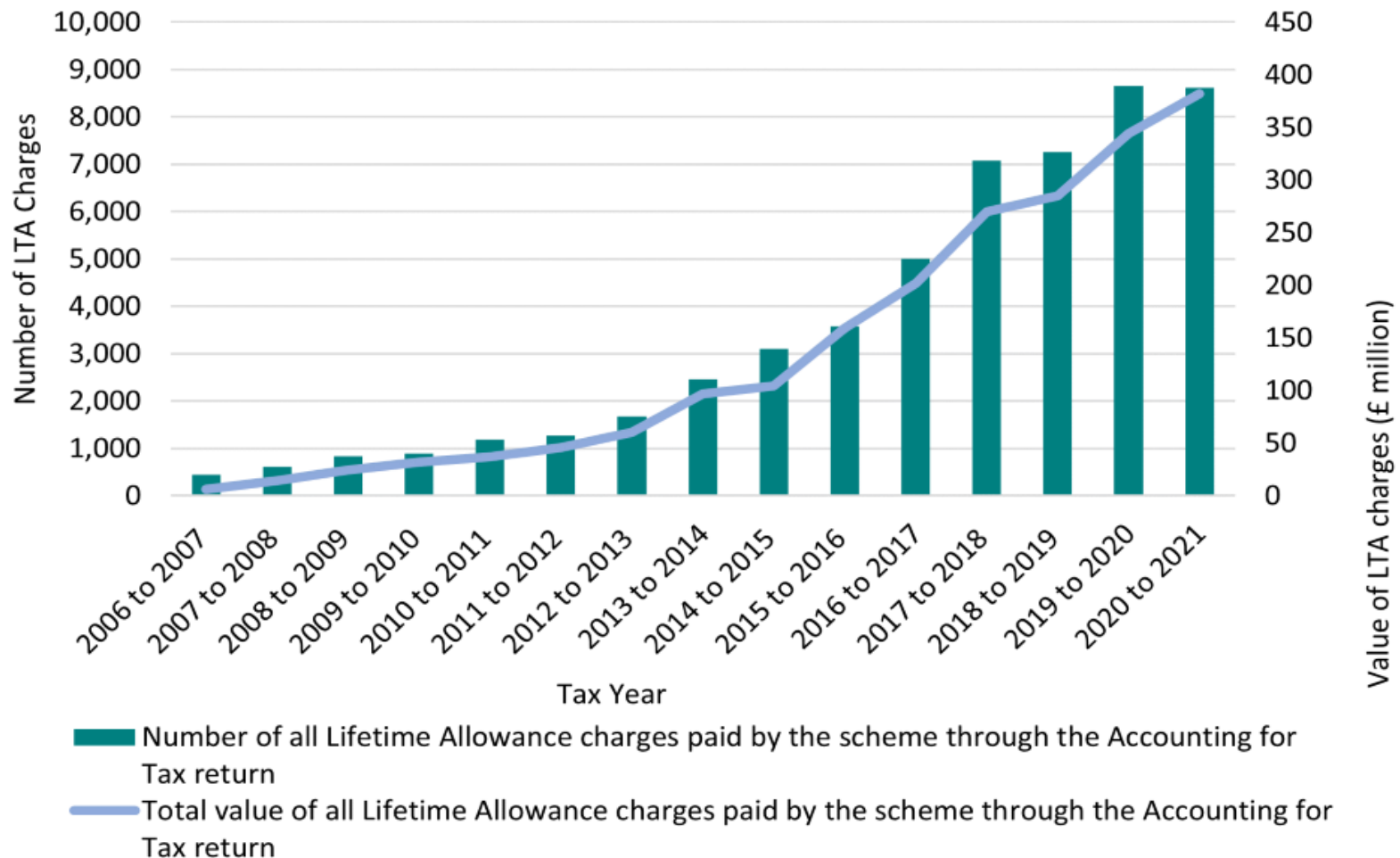
Historic Lifetime Allowance



The Lifetime Allowance – Inflation!

- £1.5m in 2006 worth £2.2m in 2022 when adjusted for inflation
- £1.8m in 2011 worth £2.4m in 2022 when adjusted for inflation
- £1.073m standard LTA in 2022/23
- 48% in real terms compared to 2006
- 44% in real terms compared to 2011

The Lifetime Allowance in Numbers



Lifetime Allowance Planning Options

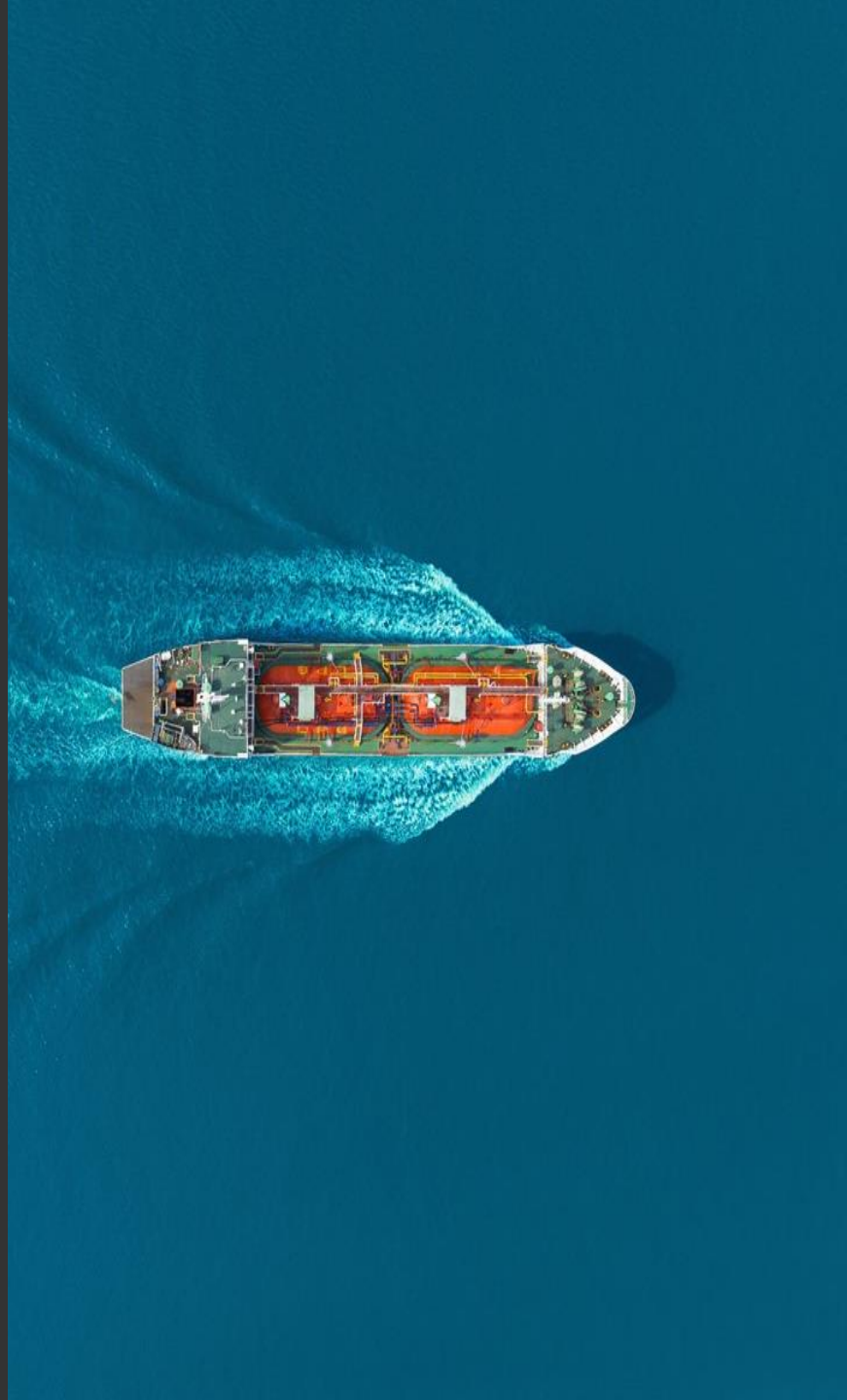
	International SIPP	QROPS
LTA?	Yes – 11 BCE tests	Yes – BCE8 only
PCLS	25%	25% (30% possible)
Flexible Drawdown	Yes	Yes (Malta)
Gross Income	Yes via DTA	Yes via DTA
Administration	PAYE Tax system	TIN disclosure

- NB Residency test as part of DWP anti-scam rules introduced 30/11/21!!!

Lifetime Allowance Planning Options

- Fixed Protection 2016 & Individual Protection 2016 - introduced 6 April 2016, when LTA was reduced to £1m
- To apply for fixed protection 2016 must ensure that active scheme membership ceased from 6 April 2016
- There is no deadline for applying for fixed or individual protection 2016
- Legacy protection available via FP 2012 & 2014 and IP 2014
- However, only 8,610 LTA payers (2020/21) out of 6.8m PPP scheme members is just 0.12%
- ROPS transfers down from 20,100 in 2014/15 to just 4.400 in 2019/20

The International SIPP



DWP Flags!





DWP Amber & Red Flags

- Ensure client details match on application & ceding scheme system!
- Aide-memoire to assist with scheme DD questionnaires
- MaPS client calls
- Ceding scheme 'clean list'
- Red flag 3 solutions
- Manage client expectations upfront

Not Standing Still...



- FCA permissions now updated for Novia Global
- Scheme being re-registered with HMRC
- Novia Global **UK SIPP**
- Further enhancements will follow



Q&A's

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