

Our SIPP Forward Declaration

Carry Forward Of Unused Annual Allowance

Scheme Name	<input style="width: 100%;" type="text"/>	
Member Name	<input style="width: 100%;" type="text"/>	
Scheme Designation	<input style="width: 100%;" type="text"/>	
Adviser / Introducer	<input style="width: 100%;" type="text"/>	
Amount Of Contribution	<input style="width: 100%;" type="text"/>	
Type of Contribution	Employer	Personal
Earnings For Previous Tax Year	<input style="width: 100%;" type="text"/>	
Earnings For Current Tax Year	<input style="width: 100%;" type="text"/>	

About Carry Forward Relief

Carry forward relief of unused annual allowance may be used for up to the three previous tax years, prior to the current tax year. The amount you are able to carry forward will depend on the total gross contributions you have already made in the previous three tax years.

The maximum amount that can be carried forward is £40,000 for each of the 2017/18, 2018/19 and 2019/20 tax years. This amount is reduced if contributions were paid in these earlier tax years or your annual allowance is restricted because you are a high income earner. Carry forward relief of unused annual allowance is not permitted if you have triggered the money purchase annual allowance (MPAA). Please see the Important Notes section on page 3 for information on events that will trigger the MPAA.

Since 6 April 2016, if you have an 'adjusted income' for a tax year of over £150,000 up to 5 April 2020 and £240,000 from 6 April 2020, your annual allowance for that tax year will be restricted: this is known as the 'Tapered Annual Allowance'.

From 6 April 2020, if you have a 'threshold income' over £200,000 and an 'adjusted income' over £240,000, this means for every £2.00 earned over £240,000, your annual allowance will be reduced by £1.00. The maximum reduction is £36,000. If your 'adjusted income' is £312,000 or more then your annual allowance will be reduced to the minimum of £4,000.

From 6 April 2016 to 5 April 2020, if you had a 'threshold income' over £110,000 and an 'adjusted income' over £150,000, this means for every £2.00 earned over £150,000, your annual allowance reduces by £1.00. The maximum reduction is £30,000. If your 'adjusted income' was £210,000 or more, then your annual allowance will be reduced to the minimum of £10,000. The definitions of 'threshold income' and 'adjusted income' are complex and if this is likely to apply to you, you should seek specialist tax advice. If you are affected by this, you will need to detail in the table on page 2 what your reduced annual allowance is; if you are not affected, please insert the current annual allowance for 2020/21 of £40,000.

It is important that you supply us with the correct contribution amounts previously paid to any pension scheme you are a member of. If you are unsure, you should seek assistance from your financial adviser or your accountant as this is a complex tax planning area, which may result in a tax charge being paid by you, if you get it wrong. We rely on your declaration as confirmation that the amount of unused annual allowance you have informed us is available is correct. As this will be used as an application for tax relief at source with HM Revenue & Customs (HMRC), it is a serious offence to make false statements. The penalties are severe. False statements could lead to prosecution.

Example of completed carry forward table

Tax Year	2017/18	2018/19	2019/20	2020/21
Annual Allowance (AA)	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA
Amount Used	£25,000	£32,000	£20,000	£70,000
Amount Available	£15,000	£8,000	£20,000	£0
Cumulative AA	£15,000	£22,000	£42,000	£12,000

The above illustration presumes that the money purchase annual allowance has not been triggered and that the scheme member is not subject to the tapered annual allowance but has sufficient earnings in the current tax year to make the carry forward contribution payment.

Carry forward calculation

I confirm that the amount of annual allowance available is calculated as follows:

(You should be inserting Gross amounts to be able to calculate the correct cumulative annual allowance)

Tax Year	2017/18	2018/19	2019/20	2020/21
Annual Allowance (AA)	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA	£40,000 unless subject to a tapered annual allowance or £4,000 for MPAA
Amount Used				
Amount Available				
Cumulative AA				

Member Declaration

- I confirm that the information and figures provided in this form are true and correct to the best of my knowledge and can be relied upon by Options UK Personal Pensions LLP as administrator of my Self-Invested Personal Pension (SIPP).
- I understand this contribution will be applied to the current tax year (2020/21).
- I will notify you as soon as possible in the event that I find incorrect information has, or may have, been given.
- I understand that any incorrect or false information may result in tax charges being levied against me, or my pension fund, for which I, or my pension fund remain solely liable.
- I understand that, should the amount of carry forward available not be sufficient to support the contribution I am making this tax year, no tax relief will be available on the excess amount.
- I understand that under HMRC legislation, Options UK Personal Pensions LLP do not report my carry forward contributions and it is my responsibility to report these through my self-assessment submission.
- I understand that I am responsible for arranging payment of any annual allowance tax charges that may be levied by HMRC should my contributions exceed my permitted annual allowance.
- I understand that Options UK Personal Pensions LLP is the administrator of my SIPP and as such, is not permitted to provide advice and acts on my instructions (or if applicable, the instructions of my regulated financial adviser on my behalf).

Member Name
Date

Signed

Important notes:

1. Only tax years where you were a member of a registered pension scheme (this or any other one) can be used to count in this exercise.
2. Only the **unused** annual allowance for the three tax years preceding the current tax year can be carried forward.
3. Carry forward relief is calculated by using the combined amounts from the earliest tax year in the table. For example, a carry forward amount of £30,000 from the tax year 2017/18 would be reduced to zero if a contribution was made of £70,000 in the tax year 2018/19.
4. Any 'Carry Forward used' figure in the table will reduce the allowance in the current tax year.
5. The figures, for calculation purposes, should be Gross (i.e. without deduction of Income Tax) and therefore the amount of tax that has been claimed on personal contributions needs to be included when accounting for the amount already used and the amount available.
6. You will need to have justifiable earnings for the current tax year to support your carry forward contribution amount where the contribution is personal and tax relief due.
7. Events that will trigger the MPAA (£4,000 annual allowance) are as follows:
 - You have taken benefits under a flexi-access drawdown arrangement and taken income from the arrangement.
 - You have received an uncrystallised funds pension lump sum (UFPLS) payment.
 - When you have converted an existing capped drawdown arrangement to a flexi-access drawdown arrangement.
8. Under HMRC legislation, we do not report your carry forward contributions **and it is your responsibility to report these through your self-assessment submission.**
9. For further information regarding the tapered annual allowance, please refer to the following link:
<https://www.gov.uk/guidance/pension-schemes-work-out-your-tapered-annual-allowance>

Our Contact Details

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