

Self-Invested Personal Pension

# SIPP

**Benefit Request Form  
(Small Pension Lump Sums)**

## Taking withdrawals from your SIPP

If you wish to take withdrawals as Small Pension Lump Sum(s) from your SIPP, you must obtain financial advice before completing this form. Note that InvestAcc does not provide advice.

**Please note** - in addition to the benefit payment fee, we make a charge of £50 +VAT for each Small Pension Lump Sum payment from your SIPP. For someone taking 3 payments of £10,000 (maximum), this additional fee would therefore be £150 +VAT.

Payments are made on our payroll dates of 15th or 28th of the month. Unless otherwise instructed, we will make payment on the next available payroll date. In addition to having sufficient cash available to make the payment(s), we will require this completed form at least 6 working days before the payroll date.

### Section 1 - Financial advice

Please indicate the type of advice or guidance you have taken when deciding on your chosen retirement option.

Have you taken regulated financial advice on your chosen retirement option and the investments within your SIPP?

☐ Yes

☐ No

Note that your financial adviser is required to complete Section 8.

**Please note** - If you have selected '**No**' above, we will not be able to process this request.

For your chosen retirement option, have you taken pension guidance from Pension Wise?

☐ Yes

☐ No

### Section 2 - Your details

Title	Forename(s)		
Surname			
Date of birth		National insurance number	
SIPP member number			
Daytime telephone number			
Email address			

## Section 3 - Small Pension Lump Sum(s)

Number of Small Pension Lump Sums you have previously received that have been paid from a pension. Please do not include any Small Pension Lump Sums you have received from an occupational scheme or public sector scheme.

☐ None      ☐ One      ☐ Two

Please confirm the amount you would like to receive now:

☐ Full plan value      ☐ Specific amount      £ \_\_\_\_\_

### Please note:

**Full plan value** - This is only available if the value of your SIPP is less than £30,000 on receipt of all our requirements and you have enough Small Pension Lump Sums available to you to allow us to make the payment. If the relevant SIPP funds have been crystallised, you cannot receive a Small Pension Lump Sum unless you select the full value option, and the value of the relevant SIPP arrangement is less than £10,000 on receipt of all our requirements.

**Specific amount** - Where you are applying for more than £10,000 under the Small Pension Lump Sums legislation this will involve multiple Small Pension Lump Sums being used. No more than three Small Pension Lump Sums can be paid to you in total, including any previous Small Pension Lump Sums indicated above. Where, for any reason, the monetary value applied for exceeds the number of such payments we are able to make, we will only pay the maximum allowed by legislation under the Small Pension Lump Sum regulations.

## Section 4 - Payment instructions

**Please note:** It is your responsibility to ensure there is always enough available cash in the SIPP bank account to pay the requested lump sums. Payments will cease if the cash balance is insufficient to make the requested payment. Where applicable, you are responsible for deciding which investments should be encashed and to provide us with the appropriate completed forms to encash investments in plenty of time. Provided there is enough available cash, payments to you will usually be made by Faster Payments.

### Payment details

Please indicate the bank account below, to which any payments should be made:

Bank name	
Bank address	
	Postcode

Account name     

Account number     

Sort code        /   /

## Section 5 - Allowances

You must be able to confirm one of the following two statements to make this withdrawal.

Please select the one that applies to you:

☐ **No Protections** I do not have enhanced protection or fixed protection (2012, 2014, or 2016), and I do not intend to apply for fixed protection 2016.

or

☐ **Total SIPP value no more than £10,000.** I confirm my SIPP is worth £10,000 or less.

## Section 6 - Member declaration

I request and consent to the payment of the benefits set out in this Benefit Options Request Form. I have read all of the warnings under Section 7 and understand and agree that:

- I confirm that I am the SIPP member named in Section 2, and that I have answered the questions on this form truthfully and to the best of my knowledge. I understand that if I have provided any deliberately false or misleading information, or have omitted any relevant facts, that this could be a criminal offence, punishable by imprisonment.
- I confirm that the information provided about the number of Small Pension Lump Sum payments I have previously received is accurate.
- I understand that all lump sums, except for 25% received from uncrystallised funds, is liable for income tax.
- I understand that InvestAcc does not provide financial advice, and that my choice of requested benefits has been made with the help of my financial adviser. Retirement and benefit options are complex issues, and other options may exist.
- I understand and agree to InvestAcc charging a fee of £50 +VAT per Small Pension Lump Sum payment (a maximum of 3 payments of up to £10,000 each), in addition to the Benefit Payment fee.
- I confirm that payment by InvestAcc of the benefits under this plan shall constitute a full discharge from all liabilities and claims arising from this transaction.

Please remember you may need to provide the following evidence:

- Proof of age e.g. valid passport, driving licence, birth certificate
- P45 (if you have recently ceased all employment and are retiring now, this will ensure the appropriate tax code is used)

### Cancellation rights

When you first elect to take withdrawals from your pension fund you have the right to change your mind and cancel your election to take withdrawals within 30 calendar days of us accepting your request. You can exercise your right to cancel by writing to us at InvestAcc Pension Administration Limited, Solway House Business Park, Kingstown, Carlisle, CA6 4BY and return any payments you may have received.

Member's signature

Date

X

## Section 7



### Understanding the risks of your chosen option - **IMPORTANT**

**I request and consent to the payment of the benefits set out in the Benefit Options Request Form. I understand and agree that:**

- High income withdrawals may not be sustainable throughout your retirement.
- By withdrawing larger amounts from the fund, you will reduce the amount remaining in drawdown pension and so reduce the potential for long term growth.
- Taking withdrawals may also erode the capital value of the fund, especially if investment returns are poor and a high level of income is being taken. This could result in a lower income if an annuity is eventually purchased.
- If you are taking a regular income from your fund you should be aware that the long-term effects of inflation can erode the buying power of your funds over time resulting in the need to increase the amount you withdraw.
- The investment returns may be less than those shown in the illustration.
- Under current HM Revenue & Customs' practice it is not normally possible to access the fund(s) prior to the age of 55. The Government has announced that it will pass legislation to increase the minimum age to 57 from 2028 with further increases likely as State Pension Age goes up.
- Past performance is no guarantee of future returns. The price of units and the income from them can fall as well as rise.
- There are many facets to drawdown pension and these need to be appraised on an ongoing basis.
- Fund performance will vary over time, interest and annuity rates will change, and your own personal circumstances will alter.
- The costs of administering your plan will be greater than the costs of a conventional annuity. This will include an administrative requirement from you. The cost differential has to be balanced against the prospect of better investment growth and the value you place on the other benefits of the plan.
- All statements concerning the tax treatment of products and their benefits are based on our understanding of current tax law and HM Revenue and Customs' practice. Levels and bases of tax relief are subject to change.
- When taking withdrawals which exceed the available cash in your SIPP bank account, if you instruct a sale of one or more investments to fund your benefits during an economic and health emergency such as Coronavirus / Covid-19, then you are at risk of selling the investment when prices are low meaning that a larger proportion of the investment may need to be sold to fund your benefit payment which may have a long lasting and detrimental impact on your pension fund. We would strongly recommend that you seek further advice if you are considering making a withdrawal under these conditions.
- Taking withdrawals from your pension fund may have significant implications in terms of the taxation of the income and/or capital you withdraw and how this may interact with other income. People who are concerned about this aspect can contact Pension Wise, The Citizens Advice Bureau or the Money Advice Service.
- Taking cash withdrawals may have implications for people with debt or may be entitled to means - tested benefits. People who are concerned about this aspect can contact Pension Wise, The Citizens Advice Bureau or the Money Advice Service.
- Investment scams - If you are taking a cash lump sum from your pension or your pension fund in its entirety to invest somewhere else, or plan to take income drawdown, be aware that scammers operate in these markets. You can find out more about how to identify scams here: [www.pensionsadvisoryservice.org.uk/pension-problems/making-a-complaint/common-concerns/pension-scams](http://www.pensionsadvisoryservice.org.uk/pension-problems/making-a-complaint/common-concerns/pension-scams)

## Section 8 - Adviser details

To be completed by your financial adviser

By signing below, I confirm that I have provided advice on this transaction and the suitability of the investments to the customer above and have recommend that they proceed. I have provided the customer with the relevant risk warnings attached to this transaction and have also provided them with an illustration showing the available benefits of their remaining fund.

Please note that you do not need to provide an illustration if the entire fund is being withdrawn.

Adviser name
Adviser company
FCA registration number

Adviser signature	Date
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Print name
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## Section 9 - Frequently asked questions

### Tax codes

If you have a P45 from your previous employment which applies to the current tax year this will need to be sent to InvestAcc along with this form, or issued directly from the transferring company to InvestAcc, in order for the existing tax code to be applied. Please be aware some transferring companies will only issue this directly to you therefore this will need to be forwarded to InvestAcc. The tax code can only be applied if InvestAcc is in receipt of the P45 document as this contains the full details in order for us to apply the tax code correctly. In the absence of this document an emergency tax code will be applied.

### What happens if I don't have a tax code?

If you do not have a tax code, we will apply an Emergency Code on a Month 1 basis until HMRC issues a tax code which we will then be able to apply against future payments.

### What happens if I pay too much tax?

This will depend on how much of your fund is withdrawn, please see details below:

#### a) You withdraw your entire pension fund

If you believe too much tax has been deducted from your payment, you will need to contact HMRC directly, HMRC will then require for you to complete a Repayment Claim Form P50, they will then complete any processes they need to and refund any overpayment of tax if this applies to your tax circumstances. If you do not contact HMRC directly then your tax position will be reviewed by HMRC at the end of the tax year and a tax calculation will be sent to you detailing any under or overpayment of tax if this is applicable to you. Please be aware any other earnings are taken into account when HMRC calculate your tax.

#### b) You withdraw part of the pension fund

If an emergency tax code is initially used for the deduction of tax from the payment and you believe too much tax has been deducted, HMRC should issue InvestAcc Pension Administration Limited with a tax code which will be applied to the next payment to ensure the correct tax deductions are made - this will pick up the overpayment of tax if appropriate and result in a refund of tax where required. If no further payments are taken in the tax year, HMRC will review this at the end of the tax year. Please be aware any other earnings are taken into account when HMRC calculate your tax.

### Will I receive a P60?

We will send you a P60 by 31st May following the end of the tax year in which you have received any taxable income from your SIPP.

### Valuation of your SIPP assets when taking benefits

We will need to know the up to date value of your SIPP assets, including any commercial property and land, whenever you crystallise funds or start to draw benefits for the first time from your pension scheme. Using the up to date value is important for a number of reasons, such as where you are drawing benefits and may be at risk of depleting your fund faster than you may realise, or where you have a mixture of uncrystallised and crystallised benefits in your SIPP, to ensure growth is not allocated incorrectly.

For most investments we will need the very latest valuations, but we are happy to accept a valuation of property/land which is up to 12 months old (when you first crystallise funds) and up to 36 months old for future crystallisations. Note that a valuation for these purposes can be done by a simple side letter from an RICS qualified surveyor. You can ask us to use a more up to date valuation of property/land if you prefer.

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Our SIPP products are offered without advice of any kind.

A SIPP may not be suitable for all investors. If in doubt you should consult an authorised financial adviser.

InvestAcc Pension Administration Limited is the operator and scheme administrator and is responsible for the maintenance and running of the scheme.

InvestAcc Pension Trustees Limited is the scheme trustee.

The levels of and bases of taxation can change.

The value to an investor of any tax benefits will depend on that investor's tax position.

Investors should consult their own tax advisers in order to understand any applicable tax consequence.

Dear Saver,

The government has removed the restrictions on what you can do with your pension savings. You now have the freedom to choose the option that's right for you.

To receive free, impartial guidance go to **[www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)** or phone **0800 138 3944**

Pension Wise is a new government service that offers you:

- **tailored guidance** (online, over the telephone or face to face) to explain what options you have and help you think about how to make the best use of your pension savings;
- information about the **tax implications** of different options and other important things you should think about; and
- tips on getting the best deal, including how to **shop around**.

Choosing what to do with your pension savings is an important financial decision; you can often get more for your money by shopping around.

In this pack you'll find important details about your pension. Use them – and Pension Wise – to help you make the decision that's right for you.

Yours faithfully,

**The Pension Wise team**





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