

Pension

How much will my pot provide as a yearly income?

Size of pot	Income	Income with full state pension added	Tax-free lump sum
£100,000	£4,911	£16,411	£25,000
£200,000	£9,849	£21,349	£50,000
£300,000	£14,658	£26,158	£75,000
£400,000	£19,189	£30,689	£100,000
£500,000	£23,720	£35,220	£125,000
£600,000	£28,251	£39,751	£150,000

Source: Aviva | Assumptions: you take 25pc of your fund as a tax-free lump sum before buying your annuity, your income is fixed, paid monthly just to you and stops if you die, it will pay out for at least a year and you're in good health

<https://www.ii.co.uk/pensions/tax/emergency-tax-pensions>

Which form do I need to reclaim emergency tax on a pension lump sum?

HMRC has several forms you can use to claim a refund for emergency tax paid on a pension.

Which one is right for you will depend on your circumstances.

- **P50Z** – should be used if you cashed in your whole pension and have no other sources of income.
- **P53Z** – should be used if you have cashed in your whole pension but also have other sources of income.
- **P55** – should be used if you have only taken part of your pot as cash and have no immediate plans to make any further withdrawals.

Refunds from HMRC are usually paid within 30 days.

If you plan to make further withdrawals from your pot, HMRC will supply your pension provider with a new tax code that reflects the tax overpayment that you have made.

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