

Taking Pension Benefits - Getting started

Please note that you can [move some or all of your SIPP into flexi-access drawdown or take lump sums \(UFPLS\) from your SIPP](#) online. It usually takes no more than 10 working days to set up your pension income this way.

You will need to use this paper/pdf form to take a 'small pots' lump sum.

This form can be completed on a computer using the highlighted text boxes.

Please be aware that once we receive this completed form back from you, it usually takes **between 4 and 8 weeks** to set up your pension income.

To start taking or amend income from your existing flexi-access drawdown fund [complete the start or amend flexi-access drawdown payments process](#).



Please note that if you are already taking pension benefits via capped drawdown and wish to change those arrangements you will need a different form:

If you want to set up, change or stop income withdrawals from an existing capped drawdown arrangement, complete a '[Starting / amending income payments for capped drawdown form](#)'.

If you want to move further funds into an existing capped drawdown arrangement or convert your existing capped drawdown arrangement into flexi-access drawdown, complete a '[Taking Pension Benefits \(capped\) form](#)'.

The Lifetime Allowance (LTA) was abolished at the end of the 2023/24 tax year. The LTA was replaced with three new allowances, which came into effect on 6th April 2024. These allowances are The Lump Sum Allowance (LSA), the Lump Sum and Death Benefit Allowance (LSDBA) and the Overseas Transfer Allowance (OTA).



The Lump Sum Allowance (LSA) limits the tax-free lump sums you can take from pensions. Any amount you take over your LSA will be taxed at your marginal rate of income tax. If you have previously taken benefits from a pension before 6th April 2024, we will calculate the LSA you have already used by assuming that you have taken a tax-free amount equal to 25% of the Lifetime Allowance used each time you took benefits. If the tax-free amounts that you have received are less than 25% of your Lifetime Allowance used, then you can ask us to provide you with a Transitional Tax-Free Amount Certificate, which will be used to recalculate your remaining LSA. We recommend that you discuss this with a regulated financial adviser, as once a certificate has been issued, it cannot be revoked, and it may result in a lower tax-free amount that is available to you. If you would like us to provide a Transitional Tax-Free Certificate, then please contact us before applying to take benefits from your SIPP.

The easiest way to contact us is by secure message. Simply login to your account at ii.co.uk, select Account/Secure messages and send us a secure message.

If you don't already have an FCA-regulated financial adviser, you can find one in your area at www.moneyhelper.org.uk/retirement-adviser-directory.

Here are the steps you'll take:

Step 1 - complete this form to tell us how you're thinking of taking your pension benefits. Remember, you can use your SIPP funds in a number of ways, each of which have a different impact in terms of income tax you might pay, the income you receive and how long your pension pot may last as a result.

Step 2 - once you have completed and returned this form to us we will provide you with a pre-retirement pack. This includes an illustration of what your choices may mean in terms of the remaining fund and its future growth. We'll also enclose a 'pension benefits questionnaire' for you to complete regarding the risks associated with your initial choice(s).

Step 3 - complete and return your pre-retirement questionnaire. We'll then send you a benefits set-up pack which includes two forms for you to complete and return - a Lump Sum Allowance Declaration and a Benefit Confirmation form based on your initial choice(s).

Step 4 - Review your benefits set-up information; it's an opportunity, should you need it, to change how you take those benefits. Then complete the Benefit Confirmation form to confirm your final decision and return it to us, together with your Lump Sum Allowance Declaration form.

At that point we will arrange to pay your pension benefits. You will then have a period of 30 days in which to change your mind and return any payments that have been made to you.

Emergency tax code



When you first take a taxable payment from your pension, you may be charged an emergency tax rate if we have not received confirmation of your tax code from HMRC. The emergency tax code assumes that you will carry on receiving the same amount each month even if the money you are taking is a one-off withdrawal. On an emergency tax code, you will also only receive 1/12th of your tax-free personal allowance. This may mean you pay more tax than is actually due. You can reclaim emergency tax on pensions by contacting HMRC directly.

Continue to page 3

Section 1 - About this form

Please tell us why you have chosen to complete this paper/PDF form, rather than making this request via your online account as detailed at the very start of this form.

I wish to take money in order to buy an annuity or take a 'small pots' lump sum

I was unable to complete the process online

I prefer to complete this paper/PDF form

Is there another reason, or would you like to give us any further information?

Section 2 - Pension Wise Guidance

Please consider all the options available before you access or withdraw from a pension. That includes the risks, advantages and disadvantages of each choice.

Pension Wise is a free, impartial government service provided by Money Helper and is available to anyone 50 or over. It offers guidance about your workplace and personal defined contribution pension options. The service will help you understand your pensions and how to access them, including tax considerations and the impact of how long your Pension might last. You will also receive guidance about shopping around and avoiding pension scams.

If you have already received guidance, but life throws a curve ball, circumstances change, or the guidance is no longer relevant, the different options described to you when you had your last appointment may now be of varying significance and relevance, and you should consider booking a new appointment. Find out more about Pension Wise guidance on our website here: www.ii.co.uk/ii-accounts/sipp/pension-wise-guidance

Alternatively, instead of taking Pension wise advice, you can take regulated financial advice at your own cost. You can find out how to pay for regulated financial advice with money from your ii SIPP on our website here: www.ii.co.uk/help/paying-for-financial-advice

Booking an appointment with Pension Wise

If you choose to book an appointment with Pension Wise, you can do so yourself by calling them on 0800 138 3944 Monday to Friday between 9am & 6:30pm or by visiting their website here: www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise/book-a-free-pension-wise-appointment

Alternatively, you can ask ii to book an appointment for you. Log in to your account at ii.co.uk, select Account/Secure messages and send us a secure message with a topic of 'Pension Wise appointment', requesting a

callback. We'll then call you back and find a convenient time to suit you.

Once you've had your appointment, finish completing this form and begin your benefit request. Or, if you prefer to proceed without taking guidance from Pension Wise, let us know below.

As a guidance service, Pension Wise won't tell you which companies to use, how to use your Pension or how to invest your money. If you are still unsure which options are best for you after taking guidance, we recommend you take regulated financial advice. If you don't already have an FCA-regulated financial adviser, you can find one in your area at www.moneyhelper.org.uk/retirement-adviser-directory.

How would you like to proceed?

If you have already had a Pension Wise guidance appointment, your circumstances have stayed the same, the guidance is still relevant, and you would like to proceed, please confirm below. However, if your circumstances have changed, please consider booking a new appointment.

☐ I confirm that I have already received guidance from Pension Wise and would like to proceed

☐ I confirm that the guidance I received is still relevant, as my circumstances have not changed and the value of my SIPP has not significantly changed, for example due to changes in market conditions.

Or, if you want to proceed without guidance from Pension Wise, you can still choose to proceed. Please confirm below and select a reason:

☐ I confirm that I do not want to receive guidance from Pension Wise and would like to proceed

Please explain why you don't want guidance from Pension wise

☐ I have received regulated advice

☐ I do not want or need guidance

*If you do not let us know whether you have had guidance from Pension wise or that you wish to proceed without guidance, we will not be able to process your application.

Section 3 - Account holder's details

Title	First name(s)	Surname
-------	---------------	---------

SIPP Account Number	National Insurance Number
---------------------	---------------------------

In preparation for taking my pension benefits, please provide me with an illustration of my SIPP benefits based on the following details:

Do you have a protected retirement age enabling you to take benefits before age 55? Yes No

As of date:

 / /

The value of my SIPP was:

Please provide an indication of how many trades you make each year in your SIPP. This will allow us to include trading costs in the illustration we send you.

Trades per year

Section 4 - How do you wish to take your pension benefits? (select all applicable)



Please indicate which retirement option(s) you wish to take by filling in one of parts 4A, 4B or 4C. Please only fill in one of these three parts.

A - Small Pots

The 'small pots rules' allow up to three personal pensions, (including SIPPs) where each is worth no more than £10,000, to be taken as one-off taxed payments. These small lump sum payments are not a Relevant Benefit Crystallisation Event (RBCE), and so they do not use up any Lump Sum Allowance (LSA) or Lump Sum and Death Benefit Allowance (LSDBA), however you must have at least some of your Lump Sum Allowance remaining to take a small lump sum payment.

Do you want to take the full value of your SIPP as a 'small pot'? Yes No

If 'yes', have you already taken any other pension benefits under the 'small pot' arrangement Yes No

If 'yes', please provide details:

B - Flexi-Access Drawdown

For regular or ad hoc taxed income payments and the option to draw a tax-free lump sum (known as Pension Commencement Lump Sum) normally of up to 25% of your SIPP value, providing you have sufficient Lump Sum Allowance and Lump Sum and Death Benefit Allowance remaining to cover your lump sum. A higher amount may be allowed where you have been granted a form of Lifetime Allowance protection from HMRC.

i) I wish to crystallise the full fund (please tick):

OR a partial amount of:

Do you have more than one existing Flexi-Access Drawdown arrangement in your SIPP? Yes No

If Yes, which arrangement would you like the funds you are crystallising to be moved into? *



To locate this number please view SIPP > Benefits > crystallised/uncrystallised funds within your account for more information and your arrangement numbers

ii) Pension commencement lump sum required

Do you have protection that enables you to take more than 25% as a tax-free lump sum? Yes No

I wish to take a PCLS payment of: % OR, a fixed amount of:

Please note, in order to take income from your SIPP account you do not need to take the 25% PCLS however, you won't be able to access it later. Should you choose to crystallise your full fund but take less than the full 25% entitlement as a PCLS payment, you will not be able to take a further PCLS payment at a later date.

iii) Income payments - following a PCLS payment (if selected) I wish to:

Take a taxable lump sum of:

And then:

Delay taking a regular payment until further notice

Receive regular income payments (before tax) of:

per year

If this is your first income withdrawal from your SIPP, you may be charged an emergency tax rate if we have not received confirmation of your tax code from HMRC.

The emergency tax code assumes that you will carry on receiving the same amount each month even if the money you are taking is a one-off withdrawal. On an emergency tax code, you will also only receive 1/12th of your tax-free personal allowance.

This may mean you pay more tax than is actually due. You can reclaim emergency tax on pensions by contacting HMRC directly.

We'll ask you for your choice of payment date and frequency at a later stage.

Important note: Once you begin to withdraw a taxable income from your pension, you may trigger the MPAA. The maximum amount you can contribute to your pension is reduced to £10,000 (subject to having earnings up to this level) gross per tax year (down from the usual £60,000 annual allowance).

C - Uncrystallised Funds Pension Lump Sum payment (UFPLS)

This is a one-off amount taken from uncrystallised funds, where the first 25% of each withdrawal is usually paid to you tax-free and the remaining 75% is paid after deduction of income tax.

*Please note the amount selected in this section is fully withdrawn from your SIPP account. 25% of the UFPLS will be tax free, with the remainder taxable as pension income at your marginal tax rate, providing you have sufficient Lump Sum Allowance (LSA) and Lump Sum and Death Benefit Allowance (LSDBA) remaining to cover the 25% portion of your UFPLS amount.



Once you begin to withdraw a taxable income from your pension (including UFPLS payments), you may trigger the MPAA. The maximum amount you can contribute to your pension is reduced to £10,000 (subject to having earnings up to this level) gross per tax year (down from the usual £60,000 annual allowance).

I wish to take an UFPLS payment of the full value of my SIPP (please tick)

OR a partial payment of:

D- Annuities

We don't offer an annuity directly, but you can take money from your ii SIPP to buy one. Once you have chosen an annuity provider, you can request to transfer all or some of your SIPP to the annuity provider by completing a [SIPP transfer out form](#) instead'

Section 5 - Sign

Account holder's signature (Type name)

Date

/ /



Once printed and signed, this form can then be scanned and returned via secure message from your online account. Alternatively you can return the form by post to:

Pension Team, Interactive Investor, 2nd floor, One Embankment, Neville Street, Leeds, LS1 4DW