

7IM SIPP Transitional Tax-Free Amount Certificate (TTFAC) – Application Form



PLEASE PRINT CLEARLY IN BLOCK CAPITALS AND COMPLETE ALL APPLICABLE SECTIONS OF THIS FORM.

This is a complex area and you should **seek advice from your financial adviser** before applying for a transitional certificate, as you will be bound by the outcome and in some circumstances it can leave you with less available tax-free cash.

What is a Transitional Tax-Free Amount Certificate (TTFAC)?

The TTFAC was introduced alongside the Lump Sum Allowance (LSA) and Lump Sum and Death Benefit Allowance (LSDBA), following the abolition of the Lifetime Allowance (LTA) on the 6 April 2024. By default, your LSA and LSDBA already used is calculated based on an assumed 25% of your LTA usage. If you hold a TTFAC, your allowances will be based on the actual value of the lump sums you received prior to 6 April 2024, which can be beneficial to some clients. The TTFAC is the means of recording your actual LSA and LSDBA usage and the information you enter on this form enables us to carry out the calculation for you.

Who could benefit from a TTFAC?

Those who could benefit from a TTFAC are individuals who:

- are members of a defined benefit (DB) scheme and took a tax-free lump sum of less than 25%
- crystallised benefits when the Lifetime Allowance was less than £1,073,100
- are over age 75 and have uncrystallised funds
- previously crystallised benefits and took less than 25% tax-free cash
- crystallised funds received from a pension sharing order on divorce, that did not have a tax-free cash entitlement
- have already used 100% of your Lifetime Allowance
- crystallised some of your pension benefits before 6 April 2006
- have received any serious ill-health lump sums from any of your pensions

Do I need to apply for a Transitional Tax-Free Amount Certificate?

There is no requirement to apply for a TTFAC although you may wish to if you are sure that the outcome will benefit you. We advise you seek advice from your financial adviser and take careful consideration before applying for a certificate as providers use different calculations to work out the amount of LSA and LSDBA used for people who have certificates and those who don't.

If I apply for a Transitional Tax-Free Amount Certificate, can I later revoke it?

No. Once you have applied for a certificate, you are bound by the outcome even if it gives you less Tax-Free Cash. You should therefore not request one unless you are sure you will benefit from it.

Will I need to provide evidence to enable you to issue me with a certificate?

Yes, please see Section 04 of this form for further detail on what you'll need to provide. **We are unable to issue a certificate if we don't receive evidence in full for non-7IM pensions.**

Section 01 About you

Title: First Name(s):

Surname:

7IM SIPP Account Number:

Section 02 Previous Lump Sums Paid

IMPORTANT NOTE: If you have taken any Tax-Free Lump Sums or UFPLS payments since 6 April 2024, you are not eligible to apply for a TTFAC and should cease this application.

2.1 Did you start taking benefits from any pension scheme before 6 April 2006? Yes No

If yes, please give details of any Tax-Free Lump Sums in the table below, using a separate sheet if necessary:

Scheme Name/Scheme provider	Tax-Free Lump Sum paid (£)	Date paid
	£	
	£	
	£	
	£	

Please provide documentary evidence of all lump sums taken – see note in section 04

2.2 Did you crystallise and start taking benefits from any pension between 6 April 2006 and 5 April 2024?

Yes No

If yes, please give details of any Tax-Free Lump Sums and amount of the Lifetime Allowance used in the table below, using a separate sheet if necessary. Please include details of any benefits taken with 7IM:

Scheme Name/Scheme provider	Total of Tax-Free Lump Sums paid	Total amount allocated to provide income	Total Lifetime Allowance used
	£	£	%
	£	£	%
	£	£	%
	£	£	%

Please provide documentary evidence of all lump sums taken – see note in section 04

2.3 Have you taken any Serious Ill-Health Lump Sums from any of your pensions? Yes No

If yes, please confirm the amounts and dates paid. Please include details of any benefits taken with 7IM:

Scheme Name/Scheme provider	Serious Ill-Health Lump Sum paid	Date paid
	£	
	£	
	£	
	£	

Please provide documentary evidence of all lump sums taken – see note in section 04

2.4 Did you reach age 75 before 6 April 2024? Yes No

If yes, please confirm the value of uncrystallised funds in each of your pension schemes on your 75th birthday, and the percentage amount of the Lifetime Allowance used by these funds in the age 75 test (also known as BCE5B) – your scheme provider should have confirmed this to you.

Scheme Name/Scheme provider	Uncrystallised funds at age 75	Lifetime Allowance used by age 75 Test
<input type="text"/>	£ <input type="text"/>	<input type="text"/> %
<input type="text"/>	£ <input type="text"/>	<input type="text"/> %
<input type="text"/>	£ <input type="text"/>	<input type="text"/> %
<input type="text"/>	£ <input type="text"/>	<input type="text"/> %

Section 03 Member declaration

**Please read this section carefully before you sign this form.
If there is anything you do not understand, please ask for further information.**

By signing this form, you make the following declarations:

- The information provided in this form is true, accurate and complete to the best of your knowledge and belief.
- You understand that we will not be able to issue you with a certificate unless full documentary evidence is provided of all previous Tax-Free lump sums taken from any other registered pension schemes.
- You understand that if any false or misleading declarations are made and a certificate is issued on that basis, you may be liable to tax charges where the certificate is used to pay an enhanced Tax-Free lump sum.

Your signature(s) is required for the completion of this form

Signature:

Signed by (please PRINT name):

Date:

Section 04 Evidence required of previous benefits taken

Please provide evidence that includes the pension scheme, the policy number or reference (if there is one), the type of lump sum, the lump sum amount and the date. For pensions where you gave up your entire lump sum, the evidence must confirm this in some way.

The ideal evidence will therefore be a copy of the confirmation letter you received at the time the lump sum was paid. If you no longer have this, we will accept a recent letter or e-mail from the scheme administrator or trustees.

If, before 6 April 2024, you turned 75, you will not need to provide evidence of this. However, you will still need to provide evidence of all lump sums you did take.

Please note that pre-2006 pensions are included in the TTFAC calculation but only if you took benefits between 6 April 2006 and 5 April 2024 and an LTA reduction calculation took place. In those cases, we will also need evidence of the LTA reduction. This information should be on the confirmation letter you received at the first benefit crystallisation event (BCE) on or after 6 April 2006.

There is no need to provide evidence relating to the 7IM SIPP as we will already have this on file, but details do still need to be added to the form. **For any Non-7IM pensions, we require evidence in full to allow us to process your application.**

Section 05 Glossary

Crystallisation	The point at which accrued pension savings are converted to a lump sum or Pension Income. You can normally start taking benefits at any time after Normal Minimum Pension Age irrespective of whether or not you remain in employment.
Lifetime Allowance (LTA)	This was the limit imposed by legislation on the total value of an individual's Registered Pension Schemes between 6 April 2006 and 5 April 2024. Exceeding this limit normally resulted in tax charges.
Lump Sum Allowance (LSA)	This is the limit imposed by legislation on and from 6 April 2024 on the total value of PCLSs or the tax free element of an UFPLS. Exceeding this limit will normally result in tax charges.
Lump Sum and Death Benefit Allowance (LSDBA)	This is the limit imposed by legislation on the total value of lump sums paid from an individual's Registered Pension Schemes on and from 6 April 2024. Exceeding this limit will normally result in tax charges.
SIPP	SIPP stands for Self-Invested Personal Pension. It's a type of pension scheme available in the UK that allows individuals to have more control over their pension investments.
Uncrystallised Funds Pension Lump Sum (UFPLS)	<p>This allows you to draw your Pension Commencement Lump Sum (PCLS) and the remaining Crystallised fund at the same time. You can select an amount to be paid as a lump sum. The amount of the UFPLS which can be taken tax-free will be limited by your available Lump Sum Allowance and your available Lump Sum and Death Benefit Allowance. The remainder is taxable at your marginal rate of income tax.</p> <p>Subject to applicable law and HMRC requirements you can use this feature as often as you like until your 7IM SIPP Account is exhausted. Using this feature will make you subject to the Money Purchase Annual Allowance.</p>

PLEASE RETURN THIS FORM TO 7IM INVESTMENT AND RETIREMENT SOLUTIONS LIMITED,
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