



### Free Standing Additional Voluntary Contributions (FSAVC) - Summary of main rules

These are pensions savings that are used to top up main pension benefits from an occupational scheme

	<b>Old rules</b> (up to 5 April 2006)	<b>Current rules</b> (from 6 April 2006)
<i>Maximum Contributions and tax relief</i>	15% of total remuneration (subject to the earnings cap of £105,600 for the tax year 2005/06 for members joining after 1 June 1989) in a tax year less contributions made to the main occupational scheme less any Additional Voluntary Contributions (AVCs). Contributions receive tax relief at basic rate.	Unlimited contributions are payable but those above £255,000 (2010/11 – 2015/16) will receive a tax charge of 40%. This limit applies in total to your policy and any other pensions you may have.  Tax relief received at the basic rate at source up to the higher of £3,600 gross and 100% of earnings.
<i>Maximum Benefits</i>	A complex set of rules depending on which regime you belong to.	A lifetime limit set to £1.8m (2010/11 – 2015/16). Benefits above this limit may be subject to a tax charge. This limit applies in total to your policy and any other pensions you may have.
<i>Permitted Normal Retirement Ages</i>	Minimum: 50 Maximum: 75	Minimum: 50 (55 from 6 April 2010) Maximum: 75
<i>Maximum Tax Free Cash</i>	Not permitted	25% of the fund value subject to a maximum of £450,500 for 2010/11 – 2015/16. This limit applies in total to your policy and any other pensions you may have.
<i>Maximum amount to be commuted as a lump sum under triviality rules</i>	Total Pension (including the main occupational scheme and any AVC's) of less than £260 p.a. can be commuted as a lump sum. Available between age 50 and 75.	The fund value of your policy and any other pensions you may have must not exceed £18,000 (2010/11 – 2015/16). Available between age 60 and 75.
<i>Death Before Retirement Benefits</i>	A complex set of rules depending on which regime you belong to.	Return of the fund payable up to £1.8m (2010/11 – 2015/16) on death before age 75 and/or a dependant's annuity bought by the fund.
<i>Death After Retirement Benefits</i>	The balance of any guarantee period and/or a dependant's annuity bought by the fund.	The balance of any guarantee period (paid as a pension). <b>OR</b> A lump sum payable provided death occurs before age 75. This will equal the amount used to buy the pension minus any gross income payments. This value is then subject to a 35% tax charge. A dependant's annuity may also be payable.