

## Information for Research Councils' Pension Scheme Members

### Buying Added Pension ANNUAL REMINDER AND DEADLINE DATES

If you are in **classic**, **classic plus**, **premium** or **nuvos**, you may choose to buy added pension to top up your pension benefits. You can buy added pension by making monthly contributions from your pay and/or by paying in a lump sum.

**Read the added pension information** – available on JSS website:

<http://jsspensions.nerc.ac.uk/members/increasing.asp>. Use the **calculator** to see how much you can buy and how much it will cost. Application forms can also be found on this page.

#### Deadlines

**Paying by lump sum:** You can make one lump sum payment at any time in the year through your salary. If you would like to make a payment in the 2015-16 scheme year, you must send the completed application form and payment to JSS by **19 February 2016**. Your payroll needs to be told in time to deduct the money from your March salary. If your application reaches the JSS after this date it is possible it might not be processed in the current scheme year.

If you would like to make a lump sum payment other than through your salary, (i.e. by cheque or bank transfer) please contact JSS as soon as possible before the **19 February deadline**. Cheques provided to JSS should be made payable to **"RCPS"**. Account details for bank transfer is Nat West, Sort Code: 60-70-80, Account: 10014268, Account Name: RCPS NW

Cheques need to be received by JSS by **18th March** at the latest to ensure clearance of the payment in the current financial year.

**Added pension by monthly contributions:** If you would like to buy added pension by monthly contributions for scheme year 2016-17, you must send the completed application form to JSS by **18 March 2016** so that they have time to instruct your payroll to start making deductions from your April salary. If your application reaches JSS after this date there is the possibility it will not be processed in time. You can either pay a set amount or a set percentage of your pensionable pay.

Application forms can be found on the JSS website on the JSS website using the following link:

<http://jsspensions.nerc.ac.uk/members/increasing.asp>

#### Limit

The current amount of added pension you can buy is £5,200 for **classic** members and £6,500 for **premium**, **classic plus** and **nuvos** members.

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## *JSS Pensions Administration*

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Polaris House, North Star Avenue, Swindon, Wiltshire, SN2 1UY

### **Tax Relief**

You will receive tax relief on contributions made through payroll. So a contribution of, say, £100 would have a net cost to you of £80 if you pay income tax at standard rate (or £60 if you pay tax at the 40% rate).

**Please note** that any increase in the value of your pension above the Annual Allowance is taxable.

The Annual Allowance is the limit at which someone's pension benefits can grow from one year to the next without incurring a tax liability. The current Annual Allowance limit is £40,000. Annual Allowance for the RCPS is measured across an input period; this is 1<sup>st</sup> Jan to 31 Dec however this is changing to tax years from 2016.

The Annual Allowance is calculated by taking the value of the pension at the end of the period and multiplying it by 16 and adding any applicable lump sum. This is then deducted from the following; the pension at the start of the period multiplied by 16 and increased for inflation (using CPI) adding any applicable lump sum.

For further information about the Annual Allowance, please see the HMRC website [www.hmrc.gov.uk](http://www.hmrc.gov.uk).

### **How much added pension can I afford?**

Please see the added pension calculator on <http://jsspensions.nerc.ac.uk/members/increasing.asp>, which illustrates the costs. If you cannot access the calculator, please contact JSS.

### **Index Linking**

The amount of added pension you buy will be increased each year. It will be increased at the end of each scheme year (31 March) by the amount of the Consumer Price Index at September in the previous year.

### **New Entrants**

If you have joined your organisation in the last 12 months, please contact JSS about your eligibility to buy added pension.

**JSS - Contact details**

E-mail: [JSS.members@bbsrc.ac.uk](mailto:JSS.members@bbsrc.ac.uk)

Direct line: 01793 411948