

PUZZLED BY PENSIONS?

PENSION FREEDOMS: UNDERSTANDING YOUR CHOICES AT RETIREMENT

Pensions

You can take your entire pot as a cash sum.



OR

You can take some cash and 'drawdown' additional amounts as regular income at times to suit you.



OR

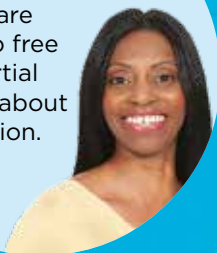
You can convert some or all of your pension pot into a regular income for the rest of your life.



a combination of these

Guidance at retirement

If you are aged 50 or over, you are entitled to free and impartial guidance about your pension.



Retirement age is changing

You can currently access your pension pot from age 55. From 2028 this will rise to 57.



Things to think about

- How much money you have now, what loans or debts you have and what income you will need in retirement.
- Up to a quarter of your pension pot can be taken as a cash lump sum – tax free – however, the balance of your pot is taxable, however you access it.
- Your health, what your life-expectancy might be and that of your partner or dependants.
- Do you really need to access your pot early? Remember you need to ensure you have enough to live on throughout your retirement.

IMPORTANT

The Pension Freedom choices only apply to 'Defined Contribution' pension savings pots. Different rules and regulations apply to 'Defined Benefit' (also known as final salary or CARE) schemes.

Usdaw is here to help our members – contact Usdaw's Pensions Section on 0161 224 2804 or email pensions@usdaw.org.uk

Stock photos posed by models.