

There is no financial limit on the amount that may be contributed to a registered pension scheme. The maximum amount on which an individual can claim tax relief in any tax year is the greater of the individual's UK relevant earnings or £3,600 (gross).

From 6 April 2016 the annual allowance may be reduced by £1 for every £2 of adjusted income over £150,000 to a minimum of £10,000.

All pension input periods open on 8 July 2015 were closed on that date, with the next input period running from 9 July 2015 to 5 April 2016. All subsequent input periods will be concurrent with the tax year from 2016/17 onwards.

For the sake of fairness during this alignment process, savers may be able to receive an additional annual allowance entitlement. They may be able to receive tax relief on up to £80,000 of pension contributions for 2015/16, with a maximum of £40,000 being available for the period 9 July 2015 to 5 April 2016.

In addition, an individual may have unused brought forward amounts.

The maximum age for tax relief is 74. The lifetime allowance charge applies to cumulative benefits exceeding £1m*. Inheritors can access pension funds worth up to £1m tax-free where savers die before reaching 75. Pensions inherited after the saver reaches 75 will be subject to recipient's marginal rate of tax.

From April 2015 people aged 55 or over can withdraw any sum from their Defined Contribution pension savings. On most withdrawals 25% of the total will be tax-free with the rest subject to income tax at the pensioner's marginal rate.

*Subject to transitional protection for excess amount.