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Welcome

This is the fifth edition of 'AMPS News', the newsletter for members of the Northern Ireland Assembly Members Pension Scheme.

Through the newsletter we aim to keep you informed of issues relating to your pension benefits.

The Assembly was dissolved on 24 March 2011. The current Trustees will continue in office until a new Trustee board is appointed following the election. The current Trustees are:

David McClarty, Chairman
John Dallat
Trevor Lunn
Michelle O'Neill
Jim Wells

Pension Tax Changes – reduction in the Annual Allowance

As you may be aware, the Government recently announced some changes to the rules on tax relief for pension contributions. One of these changes is a reduction in the "Annual Allowance".

This allowance imposes a limit (by means of a formula set out in law) on the amount of pension benefit that you can build up in a tax year. Where the limit is exceeded, a personal income tax charge is imposed, which might be at 20%, 40% or 50% depending on your personal circumstances.

On its introduction in 2006, the annual allowance was set at a generous level. However, this level will be reduced to £50,000 from April 2011.

In simple terms, the formula looks at the real increase in value of your final salary pension (i.e. after taking account of inflation) over the course of the tax year, and multiplies this by 16. If you have paid Additional Voluntary Contributions, the amount of your AVC payment over the tax year has to be added to this figure.

If the total is less than £50,000, you have not breached the annual allowance in this Scheme. If your pension savings in the 2011 – 12 year exceeds £50,000, the excess is subject to a tax charge.

The legislation allows members to carry over any unused allowance for up to 3 years – and allow members to look back over the previous 3 tax years to see if any unused allowance can be carried forward to the 2011 – 12 tax year (based on an Annual Allowance value of £50,000).

We will be writing to current members explaining the change in more detail.

If you have any queries about your pension benefits, or require any information please contact The Pensions Team.

Pension Increases

The Government has announced that the consumer prices index (CPI) rather than the retail prices index (RPI) will be used for revaluing deferred pensions and for increasing pensions in payment.

The AMPS follows the Governments lead applying the same increase as public sector pensions and state benefits.

Pensioners will shortly be receiving a letter detailing their revised pension amounts following this years increase, which is effective from 11 April 2011.

Pensions in payment will be increasing by 3.1%.

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3.1% with effect from
11 April 2011.*

Its Spring Cleaning time again and we will shortly be issuing data cleanse forms to our pensioners.

These may seem tedious but it is very important to us that we hold the correct information about you.

So please, note any changes on the form and return it in the prepaid envelope.



According to a recent study by the Continuous Mortality Investigation group, more than 10 million people in the UK today can expect to live to see their 100th birthday!

Visit the Assembly Website for:

- ☞ Pension Scheme Rules
- ☞ Pension Trustee Minutes
- ☞ AMPS Annual Reports and Accounts
- ☞ Previous Newsletters

www.niassembly.gov.uk/pension/pension.htm



We've moved!

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Please note that while we can give you information, the Pensions Team is prevented by the Financial Services Act from giving financial advice. If you require financial advice you should consult an independent financial adviser.