

BASF UK Group Pension Scheme

DB Pensions on Retirement

I'm thinking of taking retirement from the Scheme, who should I contact?

If you want to request a retirement quotation, you can contact the Scheme Administrator.

✉:	BASF Buck (Bristol) PO Box 319 Mitcheldean GL14 9BF	✉:	BASF@buck.com
		☎:	0330 123 0647
		🌐:	www.buckhrsolutions.co.uk/basf

Should I exchange part of my pension for a cash lump sum?

The Trustee cannot provide you with advice on which option you should choose. You should consider whether the tax-free cash option is suitable for your circumstances and, if necessary, take financial advice.

You should note that:

- You can normally choose to receive a tax-free cash lump sum up to 25%
- Any regular pension you receive will be taxed at your marginal rate
- Annual pensions are usually payable for life, whereas cash lump sums are a one-off amount paid on retirement

Can I defer taking my retirement beyond my normal retirement date?

Yes, you can normally defer your pension beyond your normal retirement date, but no later than your 75th birthday. This is subject to the rules of the relevant section of the Scheme.

Where a pension is deferred beyond the normal payment date, it will normally be increased between your Normal Pension date and the date you draw your benefits by a factor determined by the Trustee, with advice from the Scheme Actuary.

Please contact the Scheme Administrator if you want to defer your benefits to a later date.

Why do I need to complete the Lifetime Declaration form?

The Lifetime Allowance (LTA) is a limit applied to all pensions in the UK (excluding the State Pension). Further information is available on the [Pension Website](#).

The Scheme Administrator will ask you to complete a **Lifetime Declaration Form** to help them check how much of the LTA your benefits have consumed.

The Scheme Administrator will confirm if you have breached any limits.

How do I know the LTA percentage for my other pension arrangements?

You can ask your other pension providers to supply you with this information.

What identification is required to draw my pension?

We need to check your identity and date of birth we hold for you on our records. The scheme uses online identity verification experts to make these checks.

This is a safe and secure method of verifying your identity and date of birth and eliminates the need for you to post your original certificate and will not affect your credit rating or show up on a credit report. Information about Target Professional Services can be found at www.targetprofessional.co.uk.

In the event we are unable to complete the checks this way, we will contact you to ask for your certificates.

Why do you need to check my identity?

The Trustee has a duty to ensure that the pension is paid to the correct person and not fraudulently claimed.

I have lost track of other pension arrangements; how can I find them?

If you have contact details for your other pension scheme(s) you should contact them directly. If you have lost touch with your previous scheme(s) then you can use the [Pension Tracing Service](#).

✉: The Pension Tracing Service
400 Pavilion Road
Northampton
NN4 7PA

🌐: www.pensiontracingservice.com

☎: 0800 731 0193 / +44 1782 389 134

Alternative benefits

I want to transfer out, is there any restriction on when I can transfer out?

Yes, members only have the statutory right to transfer their benefits out of the Scheme if they are over one year younger than their **Normal Pension Age (NPA)**. NPA is the age at which you first become entitled to take your pension without reduction.

Members can apply to the Trustee for a non-statutory transfer in the 12 months before NPA (or after NPA). The Trustee is not obliged to provide one but currently allows transfers up to age 75. This policy is subject to change.

Depending on the value of your benefits there may be a requirement to take independent financial advice before transferring (where the transfer value is over £30,000). It is recommended that you discuss your requirements with an approved financial advisor.

If you are considering transferring your benefits to obtain flexible retirement benefits, we strongly recommend that you speak to the MoneyHelper service before deciding to proceed. This is a free, impartial, government service to help you understand what you can do with pension savings in flexible benefit arrangements when you retire. You can obtain information from [MoneyHelper](#). Alternatively, you can call 0800 011 3797.

You can find more information in the [Transfer Out factsheet](#), available on the [Pension Website](#).

If you are considering transferring your benefits, please be aware that **Pension Scams** are on the rise and you should refer to the [FSCS website](#) for further information.

Can I take the whole pension as a lump sum or 'cash in' my pension?

If you are 55 or over and the **lifetime value** of **all** your pension benefits in all pension schemes is less than **£30,000**, you may have the option to take your pension as a **Trivial Commutation Lump Sum**.

If the value of your benefit in this scheme is less than £10,000, you may have the option to exchange your pension for a one-off **Small Lump Sum**.

I don't qualify for Trivial Commutation; can I still take all my benefits as cash?

Yes, you do have the option to take the transfer value of your benefits as cash, by transferring to a DC scheme first. You should discuss this option with a financial adviser as the tax implications are significant and there may be reasons why it is not in your interests to transfer your benefits from the Scheme to a DC arrangement.

Arrangements for payment of the benefits

I don't have a bank account - can you pay me by cheque?

No, all payments by the Scheme are processed electronically into a bank or building society account.

All payments must be made into an account either solely in your name or as part of a joint account.

When will I receive my benefits?

If you have chosen to take a cash lump sum it will normally be payable on or shortly after your retirement date, provided you have provided all required documentation in advance.

If you have Additional Voluntary Contributions (AVCs) included in your lump sum, we will not be able to make payment until we have received your funds from your AVC provider.

When is the monthly pension payment date?

If you are a member of the **BPP Section**, your pension instalments will be paid on **15th of each month**. All other sections are paid on **1st of each month**. If you transfer your benefits to another provider on the open market, they will confirm the pay periods.

Will my pension increase once in payment?

Details of the increases to be applied to your pension once in payment can be found on your retirement statement under the heading **Increases to your Scheme pension once it starts to be paid**. You will be notified in writing prior to any increase in payment.

Taxation

Who do I contact if I need information about my pension, tax or P60 information?

If you are receiving your pension through the Scheme, you can view your pension payslips, P60s and other details held on the [Pension Portal](#). You can also contact the administrator by phone or in writing if you are not able to access the portal.

If you take your retirement benefits on the open market, you should contact your relevant provider for details.

Will I pay tax on my pension and cash lump sum?

Your pension is subject to income tax, which will be deducted at the rate advised by HM Revenue & Customs (HMRC). Basic Rate Income Tax will be applied initially until a code is received from HMRC.

Any lump sum you receive in exchange for a lower rate of pension will normally be paid tax-free. There are also other scenarios where tax is deducted, such as breaching the LTA. If any of these apply to you, you will be advised of this in your retirement quotation.

How will you know the right amount of tax to deduct?

HMRC will provide the Administrator with a tax-code that applies to you, based on your overall taxable income.

What if I think the tax code is wrong?

You should contact HMRC in the first instance. The Scheme will be informed automatically of any changes.

Death Benefits

What happens to my pension when I die?

Depending on the options chosen at retirement and the rules of the Scheme which apply to you, a lump sum or lifetime pension may be payable to your beneficiaries. You should refer to your retirement quotation for further information.

Will my spouse receive a pension on my death?

Any spouse's pension payable will be quoted on your retirement statement.

For most members with DC or AVC benefits, spouse's pensions provided from these benefits are optional and will affect the amount pension you can buy on the open market.

Can I increase my pension by sacrificing the spouse's pension?

If you have DC or AVC benefits in the Scheme, you do not normally need to purchase a **Joint Life** pension.

If you have DB benefits, any spouse's pension payable under the Rules is an automatic right and cannot be surrendered.

I'm not married; will my partner be entitled to any spouse's pension on my death?

If you have DC benefits in the Scheme, any contingent dependant benefits are chosen at retirement, depending on the retirement product chosen.

If you have DB benefits, the Scheme usually provides a pension under the Scheme Rules. For members that aren't married or in a Civil Partnership, in some sections of the Scheme, a pension will instead be paid to a nominated partner and in some sections, a dependant's pension may be paid at the discretion of the Trustee.

A dependant or nominated partner would be required to evidence their relationship with you and that there was financial dependence or interdependence between you, as part of the Trustee's decision-making process.