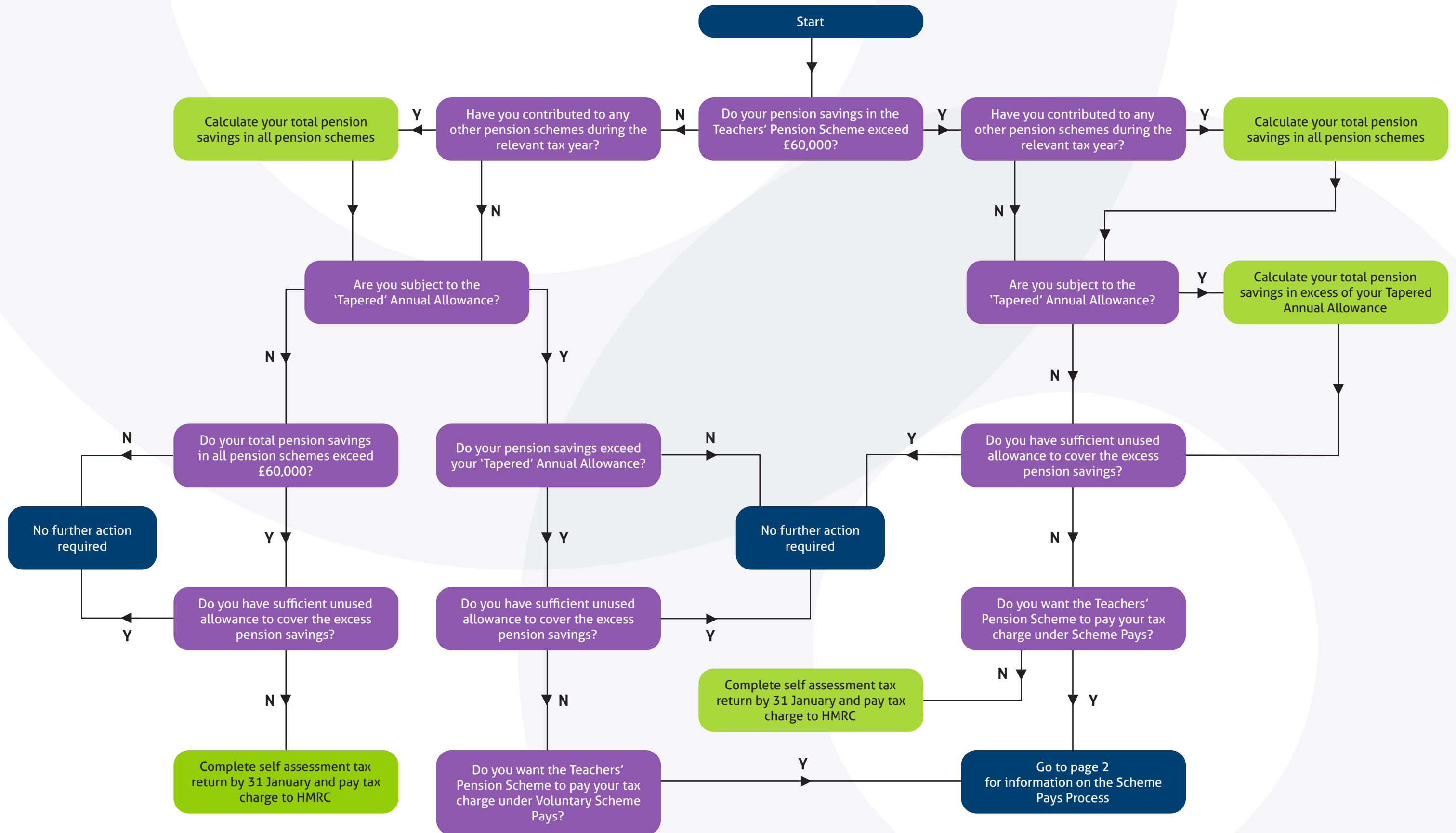


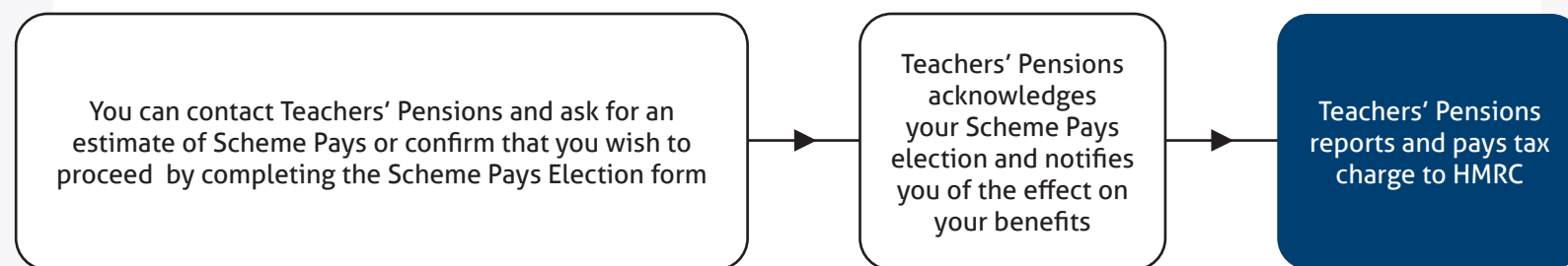
Scheme Pays Flowchart

NOTE:

Your Annual Allowance for the Teachers' Pension Scheme is calculated on the growth of your pension over the Pension Input Period, not the contributions you and your employer have made over the year. This is because your pension benefits are based on your service and salary throughout your career.

- KEY**
- Next steps
 - Take action
 - Questions to answer





Key deadlines for you to take action after receiving your Pension Savings Statement:

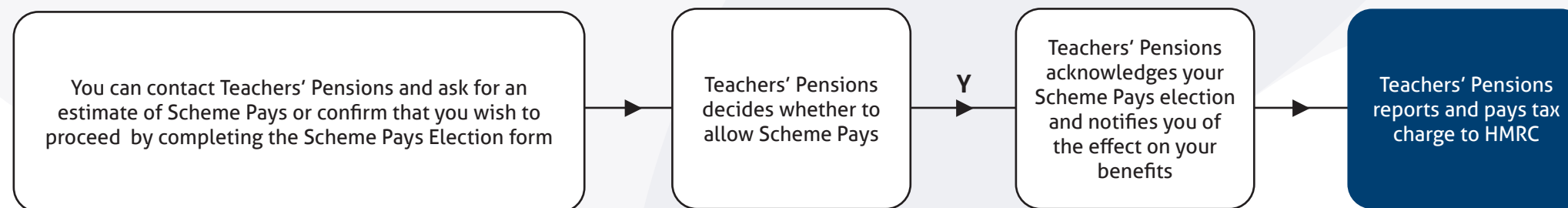
- You must report the tax charge payable to HMRC in your Self-Assessment Tax Return, irrespective of whether you're using Scheme Pays, by 31 January. You'll need to advise HMRC if you'll be using Scheme Pays to settle the tax charge.
- You must send your Scheme Pays election form to Teachers' Pensions by the 31 July following the end of the relevant tax year at the latest.

PLEASE NOTE:

You're not eligible for mandatory Scheme Pays if your Pension Fund savings is less than £60,000 or if the tax charge is less than £2,000. Also, if your election arrives after the mandatory date it will be processed as a voluntary election.

If you've benefits in both final salary and career average and have not exceeded in either scheme but have exceeded only when the two schemes are combined, this becomes a 'voluntary scheme pays'.

If you've exceeded in one scheme but not in another then the total tax charge split will become a mixture of both Mandatory & Voluntary.



Key deadlines for you to take action after receiving your Pension Savings Statement:

- You must report the tax charge payable to HMRC in your Self Assessment Tax Return, irrespective of whether you're using Scheme Pays, by 31 January. You'll need to advise HMRC if you'll be using Scheme Pays to settle the tax charge.
- If you want to use Voluntary Scheme Pays you should contact Teachers' Pensions as soon as possible after receiving your Pension Savings Statement. The deadline for the Pension Fund to pay the tax charge to HMRC under Voluntary Scheme Pays is also 31 January.

Scheme Pays and the Tapered Annual Allowance

Any excess pension savings between your Tapered Annual Allowance amount and £60,000 may be paid under Voluntary Scheme Pays at the discretion of Teachers' Pensions, but this will not be eligible for Mandatory Scheme Pays. This may mean that an election under both processes is required and the tax charge has to be split between the two.

PLEASE NOTE: Voluntary Scheme Pays elections may be made after 31 January but additional charges may apply from HMRC. Where there is any difference between the legislation governing the Teachers' Pension Scheme and the information in this factsheet the legislation will apply.