

This form is only to be used for Purchased Life Annuities (PLAs)
About this form

You can ask to have your annuity paid without tax taken off if:

- you are a resident of the United Kingdom, and
- you are unlikely to have to pay Income Tax on your total income in the year ended 5 April 2010.

The notes on the back of this form will help you decide this.

To have your annuity paid without any tax taken off, complete

'Personal details' and 'Declaration' on this page and return the whole form to the society or company that pays your annuity.

Please **note** this form cannot be used if you have an annuity subject to PAYE. If you have an annuity where tax is taken off under PAYE and you think that tax should not be taken off, please see the section '**Where can I get more help?**'

Please use capital letters if you complete this form by hand.

The annuity details

The society or company paying the annuity should complete this part

Name of society or life company paying the annuity

Payer's reference

Annuity number

Annuitant details. Title and surname

First name(s)

Date first payment due DD MM YYYY

Frequency of payments

Total annual amount of annuity

£ .

Less exempt capital element (purchased life annuities)

£ .

Annual taxable amount

£ .

Personal details

Name and title if different from above

Date of birth DD MM YYYY

Address

Postcode

Your HM Revenue & Customs office *if known*

Tax reference *if known*

National Insurance number

Declaration

It is a serious offence to make a false declaration.

I declare that:

- I am a resident of the United Kingdom
- I am (or the person named in part 1 is) unlikely to have to pay Income Tax this year
- I will let my HMRC office know if my income increases and I might have some tax to pay.

You can make this declaration on behalf of the person named above if:

- you are the parent or guardian of a child under 16
- you are doing so on behalf of someone who is mentally unable to do so, or
- you hold power of attorney.

Tick this box if you are making this declaration on behalf of the person named above

Name

Signature

Date DD MM YYYY

Notes

More information about your annuity

Does tax have to be taken off before it is paid to me?

For any tax year this depends on:

- the income you think you will receive, and
- your tax allowances, which give you a tax-free amount.

How can I work out if I should pay tax?

To decide if you can have your annuity paid without tax being taken off, you need to work out what your total income for the tax year ending 5 April 2010 is likely to be.

The most common types of income are:

- wages
- personal pensions and annuities
- state pensions
- other state benefits
- dividends
- interest on savings
- profits on self employment.

Your income includes the annual taxable amount of the annuity. You must include the annual taxable amount of the annuity, even if you will only receive the annuity for part of the year.

Allowances for the tax year ending 5 April 2010

You will not have to have tax taken off your annuity payments if you expect that all of your income, before any tax is taken off, will not add up to more than:

- age under 65 £6,475 (about £124 per week)
- age 65 - 74 £9,490 (about £182 per week)
- age 75 or over £9,640 (about £185 per week).

You may have other allowances which you can claim, and further reliefs are available if you:

- are blind, or
- are married or within a civil partnership and either you or your spouse or civil partner were born before 6 April 1935.

Where can I get more help?

If you need any advice or help in working out whether you need to pay tax on your annuity, or on any other of your income, please get in touch with your HMRC office. If you do not have a recent tax form which shows an address and phone number, you will find us in The Phone Book under 'HM Revenue & Customs' or you can find information on our website at www.hmrc.gov.uk

I have more than one annuity. Will they all be treated the same for tax?

If you have more than one annuity and your total income is higher than your tax allowances you may still be able to have one or more of the annuities paid without tax being taken off. This will be possible provided that the total tax which you will pay in the year will be enough to cover your total expected tax bill for the year, even when one or more annuity is paid without tax taken off. If you think this applies to you please contact your HMRC office, but **do not complete this form.**

Where can I find my National Insurance number?

It will help both your HMRC office and annuity provider if you can let us know your National Insurance number. You should be able to find this on your:

- pension notification letter from the Department for Work and Pensions or Pension Service
- personal pension or annuity statement
- payslip
- P60 certificate of earnings for the last tax year
- P45 leaving employment certificate.

What should I do if my income or personal circumstances change?

If your income increases or decreases, or your tax allowances change - you must check again to see if you are likely to have to start or stop paying tax. If you are, you must tell your HMRC office straight away.

What if the recipient is a child?

Children under 18 and unmarried

Special rules apply to children's savings and investments if:

- they are gifts from parent(s), and
- the income (including the full annual taxable amount of any annuities) from all of the gifts from each parent adds up to more than £100 in a year.

If these rules apply please ask your HMRC office for more advice.

Children under 16.

A parent or guardian must sign the form, even if the annuity is in another name. But a child who has their 16th birthday before the next 6 April and has no tax to pay can sign their own form R89.

Privacy and Data Protection

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. We hold information for the purposes specified in our notification to the Information Commissioner, including the assessment and collection of tax and duties, the payment of benefits and the prevention and detection of crime, and may use this information for any of them.

We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits to:

- check accuracy of information
- prevent or detect crime
- protect public funds.

We may check information we receive about you with what is already in our records. This can include information provided by you, as well as by others, such as other government departments or agencies and overseas tax and customs authorities. We will not give information to anyone outside HM Revenue & Customs unless the law permits us to do so. For more information go to www.hmrc.gov.uk and look for *Data Protection Act* within the *Search* facility.