

## PENSION PAYMENTS

This Help Sheet gives you information to help you fill in Question 14 of your Tax Return. It:

- explains how retirement annuity relief (RAR) and personal pension relief (PPR) are worked out, and
- gives you Working Sheets to help you calculate the amount of your claim for relief.

### RETIREMENT ANNUITY RELIEF (RAR) AND PERSONAL PENSION RELIEF (PPR)

#### General

These reliefs:

- are normally given in the year in which the payment is made
- are only given against **relevant earnings** up to certain **percentage limits** (see notes below)
- cannot exceed relevant earnings in the year
- interact with each other for percentage limits purposes.

Up to 5% can be allowed for pension term assurance. Relief which is available to you but which you do not take up in the year is called 'unused relief'. Unused relief can be carried forward for up to six years.

#### Payments to retirement annuity contracts and personal pension schemes

Your personal contributions:

- qualify for relief in the year of payment
- can be carried back.

Your employer's contributions to a personal pension:

- count towards your percentage limit
- cannot exceed your percentage limit
- cannot be carried back to an earlier year
- cannot be claimed by you for relief.

#### Percentage limits on relief

The amount of your payments that qualify for relief cannot exceed certain percentage limits of your net relevant earnings.

##### — What are 'relevant earnings'?

If you are an employee, your relevant earnings are broadly your taxable earnings from a non-pensionable employment. But there are some exceptions, for example, income arising from shares does not count as relevant earnings for personal pensions.

If you are self-employed, your relevant earnings are your business profits. If you are not sure how to work out your relevant earnings, ask your Inland Revenue office or tax adviser for help.

##### — What are net relevant earnings?

Broadly, these are your relevant earnings *minus*:

- expenses if you are an employee, or
- capital allowances and losses if you are self-employed.

If you are not sure how to work out your net relevant earnings, ask your Inland Revenue office or tax adviser for help.

The percentage limits for personal pensions and retirement annuity relief are shown in the following Tables.

**Table 1: percentage of net relevant earnings**

Age at 6 April 2000	Personal pensions limit	Retirement annuity limit
35 or less	17.5%	17.5%
36 to 45	20.0%	17.5%
46 to 50	25.0%	17.5%
51 to 55	30.0%	20.0%
56 to 60	35.0%	22.5%
61 to 74	40.0%	27.5%

For personal pension payments, your earnings to which the percentage limits in Table 1 apply are subject to a further limit or 'cap'. So you need to refer to Table 2 to see how much of your earnings can count.

**Table 2: 'cap' on net relevant earnings - personal pensions**

Tax year	Amount	Tax year	Amount
1992-93	£75,000	1996-97	£82,200
1993-94	£75,000	1997-98	£84,000
1994-95	£76,800	1998-99	£87,600
1995-96	£78,600	1999-2000	£90,600
		2000-2001	£91,800

Where the 'cap' in Table 2 applies and you hold two or more associated employments, one of which is pensionable, the earnings which can count may be reduced below the 'cap'. To find out how much of your earnings count, deduct the earnings from the pensionable employment from the 'cap' in Table 2 (see Example 3 on the next page). Net relevant earnings from non-associated sources are not affected and count in the usual way provided that, in total, the 'cap' is not exceeded.

##### Example 1: aged 53 on 6 April 2000

Mark has a **retirement annuity contract**. He was born on 1.5.46 and has net relevant earnings of £90,000 in the tax year 2000-2001. His percentage limit for RAR is 20%. This means Mark is entitled to £18,000 (£90,000 x 20%) relief for 2000-2001. He made a payment of £18,000 which was tax relieved.

### Example 2: aged 58 on 6 April 2000

Mary is a **personal pension holder** who was born on 28.10.41. Her details for the year 2000-2001 are as follows:

• Net relevant earnings	£100,000
• Limited to the 'cap'	£91,800
• Percentage limit 35%	
• PPR entitlement (£91,800 x 35%)	£32,130
• Payments made	
- Employer	£8,000
- Self	£10,000

Relief allowed to Mary on £10,000

Unused relief (£32,130 minus £18,000) = £14,130

Under the new personal pensions rules applicable from 6 April 2001 'carry forward' of unused personal pension relief is not possible. However, because there is a facility to carry payments back to the previous year it will be possible for any payment Mary makes between 6 April 2001 and 31 January 2002 to be carried back to the tax year 2000-2001 to use up the existing unused relief of £14,130 at 5 April 2001.

### Example 3: aged 42 on 6 April 2000

John is a **personal pension holder** who was born on 5 April 1958. He has net relevant earnings of £50,000 from Company A in 2000-2001. But he also earned £50,000 from its wholly owned subsidiary Company B and was a member of its pension scheme in that year. His net relevant earnings for 2000-2001 are calculated as follows:

'Cap'	£91,800
minus earnings (Company B)	£50,000
Company A earnings restricted to	£41,800

The PPR calculation is:

• Net relevant earnings	£41,800
• Percentage limit 20%	
• PPR entitlement (£41,800 x 20%)	£8,360
• Payments made	£8,360
• Relief allowed	£8,360

## Calculating your relief

### Step 1 Check that you are eligible.

You are eligible for relief if you are chargeable to UK tax on relevant earnings.

### Step 2 Check which type of pension policy you hold.

If you took out your policy on or before 30 June 1988 it is a retirement annuity contract. If you made your arrangements on or after 1 July 1988 then you have a personal pension.

You need to know which type of pension you hold so that you can work out the correct relief from the Tables.

### Step 3 Check amounts of your payments.

Work out the payments made from 6 April 2000 to 5 April 2001. Ask your pension scheme administrator(s) for these amounts if they are not shown on your annual statement(s).

Separate those paid to each type of pension policy (that is, retirement annuity contract or personal pension plan). Keep your receipts or contributions certificates.

### Step 4 Select the Working Sheets you need.

Four different Working Sheets are included in this Help Sheet:

- use Working Sheet 1 if you pay to a retirement annuity policy or policies only
- use Working Sheet 2 if you pay to a personal pension arrangement or arrangements
- use Working Sheet 3 if you pay to at least one retirement annuity policy and you also pay to at least one personal pension arrangement
- Working Sheet 4 helps you to calculate and keep a record of any unused relief in the past six years. So if you always use your maximum relief in the year of payment you will not need to use Working Sheet 4.

When you have filled in the Working Sheet(s) you need to transfer figures to your Tax Return **but do not throw the Working Sheet(s) away**. Keep them together with your receipts or contribution certificates for your records.

### Step 5 Work out the amount of your relief

Work out your net relevant earnings (see notes on page 1 to check if the personal pensions 'cap' applies to you). Select the appropriate percentage limit from Table 1. If you are claiming RAR and PPR read the section about 'Interaction' on page 3 and follow the steps in Working Sheet 3.

## Carry back of payments

You can elect to carry back all or part of any payment made in the tax year 2000-2001 to the previous tax year provided that in the previous year you have relief available and relevant earnings to absorb it. Enter details.

### Example 4

Sarah had unused relief of £1,000 in the year 1999-2000. In 2000-2001 she made a payment of £2,000 to her personal pension arrangement and elected to carry back £1,000 of it to 1999-2000. (£1,000 will qualify for tax relief at the rates of tax for the year 1999-2000).

If you had no net relevant earnings last tax year then you can carry back payments to the year before last but no further. Enter details.

#### Example 5

Sam had no net relevant earnings in 1999-2000 but had unused relief of £500 in the year 1998-99. He made a payment of £3,500 to his retirement annuity contract in 2000-2001 and elected to carry back £500 to 1998-99. (£500 will qualify for tax relief at the rates of tax for 1998-99).

If you were an employed earner in the year 2000-2001 and you paid your personal pension payment net of tax at basic rate, tell your pension provider that you wish to carry back your payment. Your personal pension scheme administrator will ask you to complete a special form.

#### Payment brought back

Under the new rules from 6 April 2001, you can make a payment after 6 April 2001 and elect **at that time** for that payment (or part of it) to be carried back to the previous tax year 2000-2001, if both the payment and the election are made by 31 January 2002. The election should be made to the scheme administrator on form PP43. If you have made such an election between 6 April 2001 and the date you complete your return enter the amounts.

#### Carrying forward unused relief

##### - up to 5 April 2001

If your relief in a tax year is less than your percentage limit for that year, the balance is unused relief. Unused relief can be carried forward for up to six years. It can be taken up in a later year once you make a payment in excess of the percentage limit in that later year. Relief is given at the rates of tax in the year of payment. Where the unused relief is in respect of more than one year, the earlier year is used first.

The total relief due must not exceed your relevant earnings. Any relief not taken up within the six year period is lost. Read the notes aside on 'Interaction' if you have both RAR and PPR.

#### Example 6

Katy has unused relief of £1,000 in the tax year 1994-95. She is entitled to PPR on £4,000 in 1997-98 by reference to her percentage limit. In 1997-98 she pays a contribution of £4,800. Katy receives tax relief on £4,800 in 1997-98. The balance of £200 (£1,000 minus £800) unused relief from 1994-95 can be carried forward up to 2000-2001.

If you are an employee, tell your pension scheme administrator when your personal pension payments exceed your percentage limit. Your pension scheme administrator will ask you to complete a special form.

Use Working Sheet 4 to work out unused relief arising and taken up in the six years to 5 April 2001.

##### - from 6 April 2001

Under the new rules it is not possible to carry forward any PPR unused relief after 5 April 2001 - that is from 2000-2001 to 2001-2002 or future years. Any PPR unused relief arising from any or all of the tax years 1994-95 to 1999-2000 must be satisfied by a payment in the tax year 2000-2001 or it will be lost.

But you may make a payment between 6 April 2001 and 31 January 2002 and carry it (or part of it) back to the tax year 2000-2001. Provided it then exceeds the percentage limit for 2000-2001 the excess can then be used to cover any unused relief brought forward from any or all of the tax years 1994-1995 to 1999-2000.

### INTERACTION OF RETIREMENT ANNUITY RELIEF AND PERSONAL PENSION RELIEF

#### How does it work?

Broadly, any RAR given in the year reduces your PPR. And similarly, any PPR given in the year reduces your RAR.

#### Why is the relief limited in this way?

The law on personal pensions replaces the retirement annuity law. However, people who had retirement annuities before the change in the law can continue to pay into these. **And they can have personal pensions as well.** So, to prevent a double helping of relief, each type of relief must take account of the other.

#### Are the limits the same for each type of relief?

The percentage limits for each vary (see Table 1 on page 1). The limits for personal pensions are higher but the amount of earnings which count for personal pensions is capped (see Table 2 on page 1). This results in varying amounts of relief for contributions to retirement annuity contracts and personal pension plans.

### Example 7: aged 37 on 6 April 2000

Jack was born on 1 January 1963. He has a retirement annuity contract and a personal pension arrangement. In 2000-2001 he had net relevant earnings (NRE) of £20,000 and paid contributions of £3,000 to his retirement annuity and £1,000 to his personal pension. His percentage entitlements were 17.5% (RAR) and 20% (PPR) respectively. Relief was calculated as follows:

NRE	£20,000	x	17.5%	=	£3,500
	£20,000	x	20%	=	£4,000
			<b>RAR</b>		<b>PPR</b>
% limit			£3,500		£4,000
Amount paid			£3,000		£1,000
Relief allowed					£4,000
Unused relief					Nil

Had Jack paid to his retirement annuity **only** he would have been allowed £3,000 RAR with a balance of £500 (£3,500 *minus* £3,000) unused relief to carry forward for RAR and £1,000 (£4,000 *minus* £3,000) unused relief for PPR. The PPR unused relief cannot be carried forward after 5 April 2001 under the new personal pension rules. However, Jack could use the PPR unused relief by making a personal pension payment of £1,000 in the tax year 2001-2002 **before 31 January 2002** and electing to carry it back to 2000-2001. The payment of £1,000 carried back would utilise the PPR unused relief and would also correspondingly reduce the RAR unused relief of £500 to nil.

Had Jack paid to his personal pension **only** in the tax year 2000-2001 he would have been allowed £1,000 PPR with a balance of £3,000 unused relief remaining (£4,000 *minus* £1,000). The RAR unused relief would be £2,500 (£3,500 *minus* £1,000). The PPR unused relief cannot be carried forward after 6 April 2001 under the new personal pension rules. However, Jack could utilise the PPR unused relief by making a further personal pension payment of £3,000 in the tax year 2001-2002 **before 31 January 2002** and electing to carry it back to 2000-2001. The further payment of £3,000 carried back would also correspondingly reduce the RAR unused relief to nil.

Relief for payments to retirement annuity contracts is always given before relief for payments to personal pension arrangements. RAR reduces the PPR allowable in the year. Remember, RAR unused relief can be reduced by PPR. And similarly PPR unused relief can be reduced by RAR.

Follow the steps carefully in Working Sheet 3 to work out these reliefs. Keep a record of your unused relief in Working Sheet 4. If you have any difficulties working out your reliefs, ask your Inland Revenue office or tax adviser for help.

*These notes are for guidance only, and reflect the position at the time of writing. They do not affect any rights of appeal.*



Working Sheet 1: retirement annuities only

Use this Working Sheet if you pay to a retirement annuity policy or policies only. It will help you to work out your overall entitlement to relief in the year and to fill in the relevant boxes in Question 14 of your Tax Return

This Working Sheet is designed to cover a period of six years. It will provide a useful record of your pension tax relief for the whole period. Start with the current year and keep it for use in the next and subsequent years.

Please keep this Working Sheet for your records. I might ask to see it later.

Payments made (continue Provider/Contract details on a separate sheet if necessary but include all payments made in A below)

Year	2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	2004 to 2005	2005 to 2006
Provider Contract number						
Provider Contract number						

Payments made in the year are used first. Any brought back payments (box E) are limited to the remaining excess relief available in the year

<b>Total payments made</b>	<b>A</b>	£	£	£	£	£	£
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<b>Net relevant earnings</b>	<b>B</b>	£	£	£	£	£	£
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<b>Percentage limit</b> (based on age at 6 April)	<b>C</b>	See Table 1				
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Payments available for relief in the year

• amount paid (from box A)	<b>D</b>	£	£	£	£	£	£
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Copy the figure in row E for the relevant year to box 14.4 on page 5 of your Tax Return (refer to page 3 of this Help Sheet to see how this relief will be given)

• amount brought back from later year	<b>E</b>	£	£	£	£	£	£
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Copy the figure in row F for the relevant year to box 14.2 on page 5 of your Tax Return

• amount <b>already taken back</b> to earlier year	<b>F</b>	£	£	£	£	£	£
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Copy the figure in row G for the relevant year to box 14.3 on page 5 of your Tax Return

• amount <b>now</b> being carried back to earlier year	<b>G</b>	£	£	£	£	£	£
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• amount available for relief in the year (boxes D plus E minus boxes F plus G)	<b>H</b>	£	£	£	£	£	£
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Calculation of relief in the year

• relief arising in the year (box B multiplied by box C)	<b>I</b>	£	£	£	£	£	£
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• relief allowable (lesser of boxes H and I)	<b>J</b>	£	£	£	£	£	£
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If the figure in row I exceeds the figure in row J copy the figure to Working Sheet 4

• unused relief arising in the year (box I minus box J)	<b>K</b>	£	£	£	£	£	£
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Calculation of maximum relief now used

• unused relief brought forward	<b>L</b>	Copy figures from Working Sheet 4					£	£
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Applies where the figure in row H exceeds the figure in row I. Copy figures to Working Sheet 4

• unused relief now used (lesser of boxes H minus J and box L)	<b>M</b>	£	£	£	£	£	£
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Copy the figure in row N minus the figure in row E for the relevant year to box 14.5 on page 5 of your Tax Return

• total relief allowable (box J plus box M)	<b>N</b>	£	£	£	£	£	£
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If box H is greater than box N, make sure any figure in box E is tax relievable. Any excess from box E which is not tax relievable reverts to the year of payment. You should revise your calculations accordingly.

The amounts are not refundable and remain in your contract to provide benefits

• unrelieved payments (box H minus box N)	<b>O</b>	£	£	£	£	£	£
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Copy the figure in row P to box 14.1 on page 5 of your Tax Return

• qualifying payments (box A minus box O)	<b>P</b>	£	£	£	£	£	£
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**Working Sheet 2: personal pensions only**

Use this Working Sheet if you pay to a personal pension arrangement or arrangements only. It will help you to work out your overall entitlement to relief in the year and to fill in the relevant boxes in Question 14 of your Tax Return. If you are an employee remember to include basic rate tax in your payments made to your personal pension arrangements. Ask your pension scheme administrator(s) for these amounts if they are not shown on your annual statement.

Please keep this Working Sheet for your records. I might ask to see it later.

Payments made by you (continue Provider/Contract details on a separate sheet if necessary but include all payments made in A below)

This Working Sheet is designed to cover a period of six years. It will provide a useful record of your pension tax relief for the whole period. Start with the current year and keep it for use in the next and subsequent years.

Year	2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	2004 to 2005	2005 to 2006
Provider Contract number						
Provider Contract number						

<b>Total payments made by you</b>	<i>Payments made in the year are used first. Any brought back payments (box E) are limited to the remaining excess relief available in the year</i>	<b>A</b>	£	£	£	£	£	£
<b>Net relevant earnings</b> (limited to 'cap')	<i>See Table 2</i>	<b>B</b>	£	£	£	£	£	£
<b>Percentage limit</b> (based on age at 6 April)	<i>See Table 1</i>	<b>C</b>						

**Payments available for relief in the year**

• amount paid by you (from box A)		<b>D</b>	£	£	£	£	£	£
• amount brought back from later year	<i>Copy the figure in row E for the relevant year to box 14.9 or 14.14 on page 5 of your Tax Return (refer to page 3 of this Help Sheet to see how this relief will be given)</i>	<b>E</b>	£	£	£	£	£	£
• amount <b>already taken back</b> to earlier year	<i>Copy the figure in row F for the relevant year to box 14.7 or 14.12 on page 5 of your Tax Return</i>	<b>F</b>	£	£	£	£	£	£
• amount <b>now</b> being carried back to earlier year	<i>Copy the figure in row G for the relevant year to box 14.8 or 14.13 on page 5 of your Tax Return</i>	<b>G</b>	£	£	£	£	£	£
• amount available for relief in the year (boxes D plus E minus boxes F plus G)		<b>H</b>	£	£	£	£	£	£

**Calculation of relief in the year**

• relief arising in the year (box B multiplied by box C)		<b>I</b>	£	£	£	£	£	£
• amount paid by employer (lesser of amount paid by employer and box I) if appropriate	<i>Figure in row J should not exceed figure in row I - any excess must be refunded to your employer</i>	<b>J</b>	£	£	£	£	£	£
• relief available (box I minus box J)		<b>K</b>	£	£	£	£	£	£
• relief allowable to you (lesser of boxes H and K)		<b>L</b>	£	£	£	£	£	£
• unused relief arising in the year (box K minus box L)	<i>If box K exceeds box L copy the figure in row M to Working Sheet 4</i>	<b>M</b>	£					

**Calculation of maximum relief now used**

• unused relief brought forward	<i>Copy figures from Working Sheet 4</i>	<b>N</b>	£					
• unused relief now used (lesser of boxes H minus L and box N)	<i>Applies where box H exceeds box L. Copy figures to Working Sheet 4</i>	<b>O</b>	£					
• total relief allowable (box L plus box O)	<i>Copy the figure in row P minus the figure in row E for the relevant year to box 14.10 or 14.15 on page 5 of your Tax Return</i>	<b>P</b>	£	£	£	£	£	£

If box H is greater than box P, make sure any figure in box E is tax relievable. Any excess from box E which is not tax relievable reverts to the year of payment. You should revise your calculations accordingly.

• unrelieved payments (box H minus box P)	<i>Tell your provider about any amounts shown in this row so that you can have a refund of the excess</i>	<b>Q</b>	£	£	£	£	£	£
• qualifying payments (box A minus box Q)	<i>Copy the figure in row R to box 14.6 or 14.11 on page 5 of your Tax Return</i>	<b>R</b>	£	£	£	£	£	£

Working Sheet 3: retirement annuities and personal pensions

Use this Working Sheet if you pay to at least one retirement annuity policy and you also pay to at least one personal pension arrangement. It will help you to work out your overall entitlement to relief in the year and to fill in the relevant boxes in Question 14 of your Tax Return. If you are an employee remember to include basic rate tax in your payments made to your personal pension arrangements. Ask your pension scheme administrator(s) for these amounts if they are not shown on your annual statements.

This Working Sheet is designed to cover a period of six years. It will provide a useful record of your pension tax relief for the whole period. Start with the current year and keep it for use in the next and subsequent years.

Please keep this Working Sheet for your records. I might ask to see it later.

For each year complete boxes A to M in column 1 and then boxes A to M in column 2 before going on to boxes N to R and T for RAR and N to T for PPR on the next pages.

Payments made by you (continue Provider/Contract details on a separate sheet if necessary but include all payments made in A below)

**You must follow the instructions very carefully to calculate relief correctly**

Year	2000 to 2001		2001 to 2002	2002 to 2003	2003 to 2004	2004 to 2005	2005 to 2006
	Column 1: RAR	Column 2: PPR	RAR	RAR	RAR	RAR	RAR
Provider							
Contract number							
Provider							
Contract number							

Total payments made by you	<i>Payments made in the year are used first. Any brought back payments (box E) are limited to the remaining excess relief available in the year</i>	<b>A</b>	£	£	£	£	£	£	£
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Relief entitlement in the year

Net relevant earnings (PPR limited to 'cap')	<i>See Table 2</i>	<b>B</b>	£	£	£	£	£	£	£
Percentage limit (based on age at 6 April)	<i>See Table 1</i>	<b>C</b>							

Payments available for relief in the year

• amount paid by you (from box A)		<b>D</b>	£	£	£	£	£	£	£
• amount brought back from later year	<i>Copy the figure in row E for the relevant year to box 14.4 (for RAR), or box 14.9 or 14.14 (for PPR) on page 5 of your Tax Return (refer to page 3 of this Help Sheet to see how this relief will be given)</i>	<b>E</b>	£	£	£	£	£	£	£
• amount already taken back to earlier year	<i>Copy the figure in row F for the relevant year to box 14.2 (for RAR), or box 14.7 or 14.12 (for PPR) on page 5 of your Tax Return</i>	<b>F</b>	£	£	£	£	£	£	£
• amount now being carried back to earlier year	<i>Copy the figure in row G for the relevant year to box 14.3 (for RAR), or box 14.8 or 14.13 (for PPR) on page 5 of your Tax Return</i>	<b>G</b>	£	£	£	£	£	£	£
• amount available for relief in the year (boxes D plus E minus boxes F plus G)		<b>H</b>	£	£	£	£	£	£	£

Calculation of maximum relief in the year

• relief arising in the year (box B multiplied by box C)		<b>I</b>	£	£	£	£	£	£	£
• unused relief brought forward	<i>Copy figures from Working Sheet 4</i>	<b>J</b>	£	£	£	£	£	£	£
• maximum relief available (For RAR: box I plus box J. For PPR: box I plus box J minus RAR in box M)		<b>K</b>	£	£	£	£	£	£	£
• amount paid by employer to personal pension (lesser of amount paid by employer and box I)	<i>Personal pensions only - limited to box I</i>	<b>L</b>	£	£	£	£	£	£	£
• relief to be taken into account (For RAR: lesser of box H and box K. For PPR: lesser of boxes H plus L and box K)	<i>Relief limited to relevant earnings</i>	<b>M</b>	£	£	£	£	£	£	£

Working Sheet 3 (continued): retirement annuities and personal pensions

Make sure you have filled in details in boxes A to M on pages 10 and 11. Then fill in boxes N to R and T for RAR and N to T for PPR on these pages.

Year	2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	2004 to 2005	2005 to 2006
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Calculation of maximum relief in the year (continued)

		(RAR from box M plus PPR from box M)	(RAR from box M)	(RAR from box M)	(RAR from box M)	(RAR from box M)	(RAR from box M)
• total relief to be taken into account (RAR from box M plus PPR from box M)	<b>N</b>	£	£	£	£	£	£
		RAR	PPR	RAR	RAR	RAR	RAR

• relief allowable to you (RAR from box M plus PPR from box M minus box L. In PPR column if box L is equal to or greater than box M, PPR is zero)		<i>Copy the figure in row O minus the figure in row E (RAR or PPR, as appropriate) for the relevant year to box 14.5 (for RAR) or box 14.10 or 14.15 (for PPR) on page 5 of your Tax Return</i>					
	<b>O</b>	£	£	£	£	£	£

Unused relief now taken up

• unused relief now utilised (Lesser of boxes N minus I and box J)		<i>Applies where box N exceeds box I. Copy the figure in row P to Working Sheet 4</i>					
	<b>P</b>	£	£	£	£	£	£

Unused relief arising in the year

• unused relief arising in the year (box I minus box N)		<i>If the figure in row I exceeds the figure in row N copy the figure in row Q to Working Sheet 4</i>					
	<b>Q</b>	£	£	£	£	£	£

If box H is greater than box O, make sure any figure in box E is tax relievable. Any excess from box E which is not tax relievable reverts to the year of payment. You should revise your calculations accordingly.

• unrelieved payments (box H minus box O)		<i>Tell your pension provider about any amount of personal pension payments shown in this row for the relevant year. The excess must be refunded. Unrelieved retirement annuity payments are not refundable and must remain in the contract.</i>					
	<b>R</b>	£	£	£	£	£	£

Excess payments made by your employer must be refunded - tell your pension provider

• excess payments made by employer (box L minus box M)		<i>Tell your pension provider about any amount of personal pension payments shown in this row for the relevant year so they can be refunded to your employer.</i>					
	<b>S</b>	£	£	£	£	£	£

• qualifying payments (box A minus box R)		<i>Copy the figure in row T to box 14.1 (for RAR) or box 14.6 or box 14.11 (for PPR) on page 5 of your Tax Return</i>					
	<b>T</b>	£	£	£	£	£	£

Remember

- The method of obtaining tax relief on contributions to personal pensions differs depending on whether you are employed or self-employed (see notes). If during a year you switch from being employed to self-employed (or vice versa) please ensure that you enter the payments in the correct boxes, that is box 14.15 for employee payments and box 14.10 for self-employed payments.
- Box O in this Working Sheet shows the total personal pension relief allowable to you. If this is made up of payments both as an employee and as self-employed, make sure you apportion the relief on the basis of the payments made and enter the amounts in the correct boxes, that is box 14.15 for employee payments and box 14.10 for self-employed payments.
- Where the total personal pension relief allowable is less than the amounts paid, first claim your payments made as an employee against the relief and then claim the balance of relief from your self-employed contributions.

**Working Sheet 4: retirement annuities and personal pensions - unused relief**

Use this Working Sheet to calculate and record your unused relief.

Please keep this Working Sheet for your records. I might ask to see it later.  
Use:

- RAR columns if you are a retirement annuity contract holder
- PPR columns if you are a personal pension scheme member
- both sets of columns if you are both a retirement annuity contract holder **and** a personal pension scheme member

This Working Sheet is designed to help you keep track of your unused relief over a six year period.

Count six years back from the current year or previous year if you are electing to carry back and start with the earliest year of those for which you have unused relief.

Enter the details for that year and any of the following years for which you have unused relief.

Copy the figures to the other Working Sheets as appropriate.

Year arising	Amount arising (£)	Year(s) used	Amount(s) (£) used		Balance (£) left		Last year in which relief can be used	Unused relief lost through time limit
			RAR	PPR	RAR	PPR		
RAR £								
PPR £								
RAR £								
PPR £								
RAR £								
PPR £								
RAR £								
PPR £								