

# HOW TO PASS ON YOUR PENSION TO YOUR LOVED ONES

Anyone can benefit from your remaining pension funds when you die. Filling in this form lets us know who you'd like this to be.

You can pick as many people as you like to benefit from your SIPP (self-invested personal pension), and can update them at any time. Though these nominations aren't legally binding, they do let us know your wishes, which will be taken into account.

Your beneficiaries can:

- keep the pension invested through drawdown (taking an income as and when they need to)
- exchange it for an annuity (a secure lifetime income)
- have it paid to them as a lump sum.

In some cases it may only be possible for a beneficiary to take a lump sum. This is usually when they aren't a dependant, you haven't nominated them, and you have surviving dependants. For example, if you nominate your spouse as sole beneficiary but your spouse requests that benefits are paid to your children instead, a lump sum might be their only option.

## WHO'S CONSIDERED A DEPENDANT?

- Your spouse or civil partner
- A child under the age of 23. But a child born on or after 16 September 1993 can receive a dependant's drawdown.
- Anyone who is dependent on you due to a physical or mental impairment
- Anyone, other than your spouse, civil partner or child:
  - Who is financially dependent on you; or
  - With whom you are mutually financially dependent.

For more information please visit [www.hl.co.uk/pensions/death-tax](https://www.hl.co.uk/pensions/death-tax).

## HOW PAYMENTS WILL BE TAXED

Whilst most pensions are currently outside of an individual's estate for inheritance tax purposes, the rules are expected to change from April 2027 when most pensions will likely form part of an individual's estate and so could be subject to inheritance tax. The income tax your beneficiaries will pay depends on your age when you die:

- If you die before 75 the payments are usually tax free.
- If you die at, or after, 75 the payments will be taxed as their income.

If the payments are taxable, your beneficiaries might be able to reduce their tax bill by spreading their withdrawals over a number of years.

**Note:** If you die before 75 and any part of a lump sum payable to your beneficiaries goes over your remaining lump sum and death benefit allowance, then the excess will normally be taxable at your beneficiaries' marginal rate.

If you beneficiaries take a lump sum from funds that were crystallised before 6 April 2024, these won't use up the lump sum and death benefit allowance.

If your beneficiaries choose to take beneficiary drawdown or a beneficiary annuity when inheriting funds, they won't use up the lump sum and death benefit allowance.

## WHAT IF YOU USE YOUR SIPP TO BUY AN ANNUITY?

Once set up annuities can't normally be changed. If you want your income to continue to your spouse, partner or dependants after you're gone, you can choose from the following options at the start:

**Joint life annuity** – the income continues to be paid to your surviving spouse or partner for the rest of their life.

**Guarantee period** – your annuity will pay for a minimum number of years, even if you die before then.

**Value protected annuity** – the original amount you used to buy the annuity is paid as a lump sum, less any income already paid.

## HOW TO NOMINATE YOUR BENEFICIARIES

Log on to your account at [www.hl.co.uk](https://www.hl.co.uk). 'Click Account settings' and 'Manage SIPP beneficiaries'. Or complete the form overleaf and return it in the post.

This information is based on our understanding of current and draft legislation and announcements (27 March 2025). It isn't personal advice. Remember, tax rules change and the benefits will depend on individual circumstances. If you have any doubts whether an investment is suitable for your circumstances you should seek personal advice.

# HL SIPP EXPRESSION OF WISH FORM

HARGREAVES  
LANSDOWN

Tell us who you'd like your HL SIPP paid to.

Or complete this form online: Log in at [www.hl.co.uk](http://www.hl.co.uk), select **Account settings** and then **Manage SIPP beneficiaries**.

Remember you're free to change your nomination at any time, online or by completing a new form. Make sure you review your nomination whenever your circumstances change.

## Your details – please complete

Title (Mr/ Mrs, etc):	Surname:	NI number:																
Full forename(s):											Date of birth:		D	D	M	M	Y	Y
Client number (if known):																		

## Nominee details – who you'd like your HL SIPP paid to when you die

1	Title (Mr/ Mrs, etc):	Surname:	Full forename(s):																			
Address:																						
															Postcode:							
Relationship:												Date of birth:		D	D	M	M	Y	Y	Proportion of payment:		%
2	Title (Mr/ Mrs, etc):	Surname:	Full forename(s):																			
Address:																						
															Postcode:							
Relationship:												Date of birth:		D	D	M	M	Y	Y	Proportion of payment:		%
3	Title (Mr/ Mrs, etc):	Surname:	Full forename(s):																			
Address:																						
															Postcode:							
Relationship:												Date of birth:		D	D	M	M	Y	Y	Proportion of payment:		%

## Charity nomination – complete if you'd like your HL SIPP paid to a charity

If you have no dependants when you die, a tax-free lump sum can be paid to a nominated charity.

Charity name:	Reference number:	Proportion of payment:	%
Charity name:	Reference number:	Proportion of payment:	%

## Declaration – please sign

I understand this request is not legally binding on the Scheme Administrator of the HL SIPP, however, in the event of my death I would like the person(s)/charity(ies) I have indicated to be considered as beneficiaries.

Signature: X	Date: X	D	D	M	M	Y	Y
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