

Inland Revenue

Application for exemption from income tax on the capital element of a purchased life annuity

Name of the Society or the Company paying the annuity

Life Office Reference 581/JZ59145

Annuity Number

On whose life of lives does the annuity depend?

Please enter:

The gross amount of each instalment

How often the annuity is paid

Date of first payment

Part A To be completed by the claimant

Full name(s) and address(es) of person(s) claiming exemption. Please use CAPITALS

Title (please enter Mr/Mrs/Miss/Ms/Other)	Title (please enter Mr /Mrs/Miss/Ms/Other)
Full name	Full name
Address	Address
Postcode	Postcode

Name of your Inland Revenue office(s) to which you sent your last claim or tax return

Name of your Inland Revenue office(s) to which you sent your last claim or tax return

Inland Revenue Office Ref		Inland Revenue Office Ref	
National Insurance number		National Insurance number	

Please answer **all** the following questions.

Please tick

Was the annuity, or part of it, bought to:

No Yes

Fulfil the terms of the will or settlement (note 1)

Recognise your, or another person's service in an office employment

Satisfy the terms of a superannuation scheme or employer's pension scheme (note 2)

Satisfy the terms of a personal pension scheme or retirement annuity contract or by contributions to a retirement annuity trust scheme? (note 3)

False statements can lead to prosecution

Declaration To be completed by the claimant

The details shown above are correct to the best of my/our knowledge and belief. I / We claim exemption from income tax in respect of the capital element of the annuity.

Signature

Signature

Date

Date

The Society or Company paying the annuity should complete Part B below and send the completed form to

Inland Revenue
Taxes Information Distribution Office
Ty Glas Rd
Llanishen
Cardiff
CF4 5ZG

Part B Declaration by the payer of the annuity

The gross annuity payable under the contract is £

I declare that to the best of my knowledge and belief the capital Element calculated in accordance with the provisions of the Taxes Act is £

(Section 656 ICTA 1988 and Income Tax (Purchased Life Annuities) Regulations 1956 as amended by Statutory Instrument 1991, No 2808).

Signature of responsible officer Date

Name and address of payer. *Please use CAPITALS*

Full name
Address
Postcode

Part C For Official use only

Please send to:

Inland Revenue
Reference number
via Kew Sorting Centre

For TIDO use

PLA 3 and PLA 4 were issued by TIDO on:

TIDO <i>date stamp</i>

Proceed under AP924 and file PLA1 in Permanent Notes pad or District Records (P)

About this form

Use this form if you wish to claim that the capital element of your purchased life annuity is exempt from tax. Not all purchased life annuities come within the exemption. If you are in any doubt about your annuity, please get in touch with your Inland Revenue office.

Who should make this claim

The person to whom the annuity is payable must make the claim. It may be that it was purchased, in whole or in part, by someone else. It could also be payable for joint lives or for someone else's life. Whatever the circumstances, the person to whom the annuity is paid must make the claim.

How to claim

The Society or Company paying the annuity will enter its details at the top of the form. Fill in Part A and then send the first two pages of this document to the Society or Company paying the annuity. The notes below will help you. When you send the first two pages to the Society or Company paying the annuity, please keep the notes in case you need to refer to them again.

What happens after you have sent the form to the paying Society or Company

The payer will check that you have filled in your part correctly and then complete Part B and send the form to the Inland Revenue.

The Inland Revenue will then determine:

- Whether your annuity qualifies for a tax exempt capital element, and if so,
- The amount of the capital element

and send you a notice telling you what has been decided. The notice tells you what to do if you do not agree with the Inland Revenue's ruling. At the same time, if the annuity is exempt, the Inland Revenue office will tell the payer not to deduct tax in future from the capital element of the annuity.

When you fill in your future tax returns, deduct the exempt capital element before entering the amount of the annuity.

What to do if you think a repayment of tax is due to you

You may be able to claim a repayment of tax deducted on the capital element of payments already made. The notice the Inland Revenue sends you will tell you how to claim.

NOTES

We need to know why you bought the annuity so we can decide if exemption from tax is due.

The following notes will help you fill in the bottom section of Part A before you sign the declaration.

1. Wills and settlements

Answer 'No' if you have:

- Inherited a lump sum under a will, OR
- Received a gift of a lump sum from a settlement AND you have decided to use it, or part of it to buy this annuity.

Answer 'Yes' if:

- The annuity had to be bought under the conditions of a will, OR
- If it was bought to replace an annuity due to be paid under the terms of a will or settlement.

2. Superannuation schemes and employer's pension schemes

The rules of an employer's superannuation scheme or pension scheme may provide for the payment of a lump sum benefit on retirement or death. Or they may allow part of the pension due under the scheme to be converted into a lump sum leaving a reduced pension payable.

Answer 'No' if you received a lump sum in the above circumstances and used all or part of it to buy this annuity.

Answer 'Yes' if the annuity was bought by the scheme to provide the pension or reduced pension due to you.

3. Personal pension schemes, retirement annuity contracts and retirement annuity trust schemes

Answer 'No' if:

- You have chosen to take a lump sum so reducing the annuity due under the scheme or retirement annuity contract AND you have used all, or part of the lump sum to buy this annuity, OR
- The lump sum was paid on the death of the contributor to the scheme or contract and you have used all, or part of that lump sum to buy this annuity.

Answer 'Yes' if:

- This is the annuity or reduced annuity produced by your membership of the scheme or contract, OR
- Was provided for you because of the death of a member of a personal pension scheme.