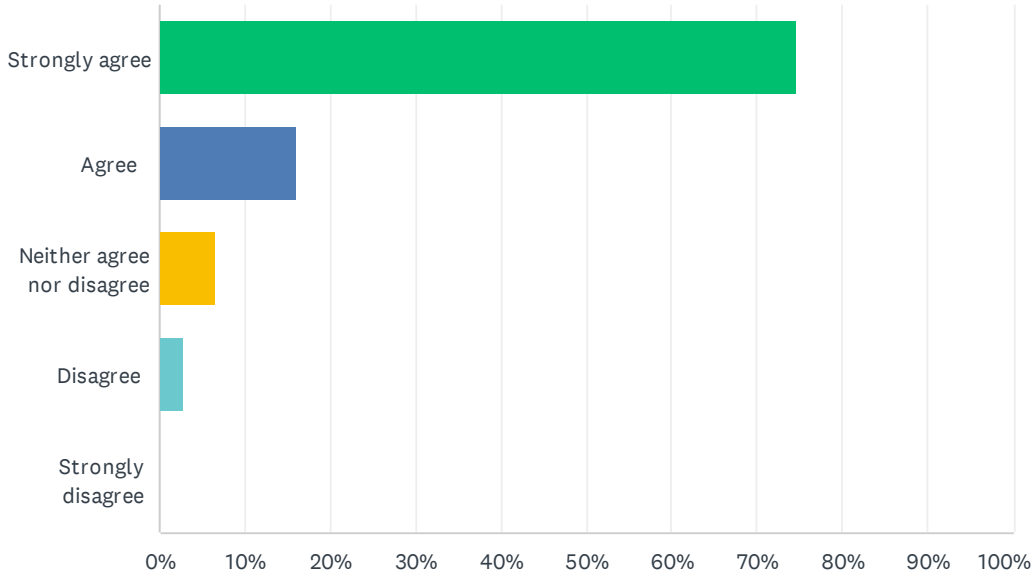
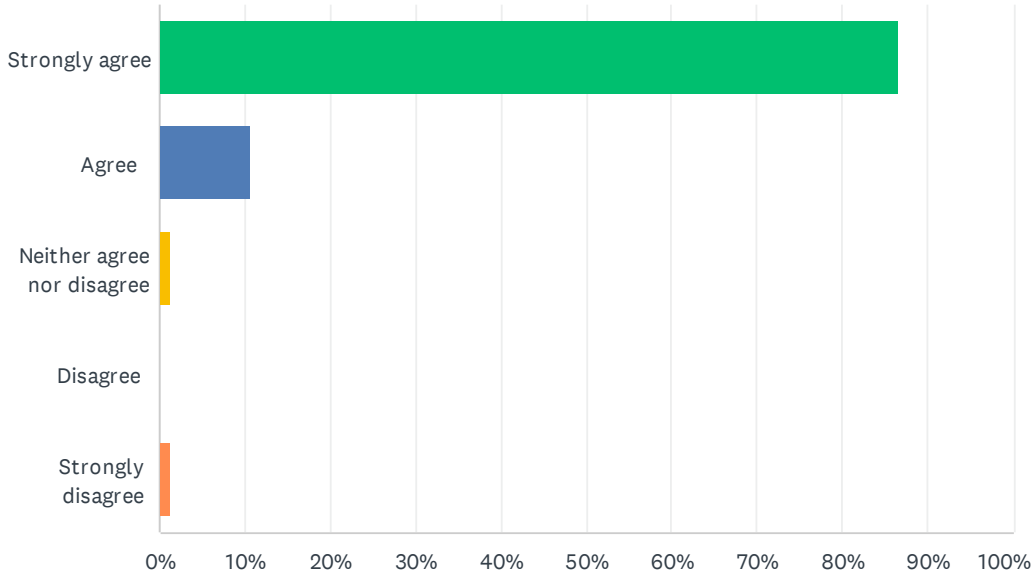
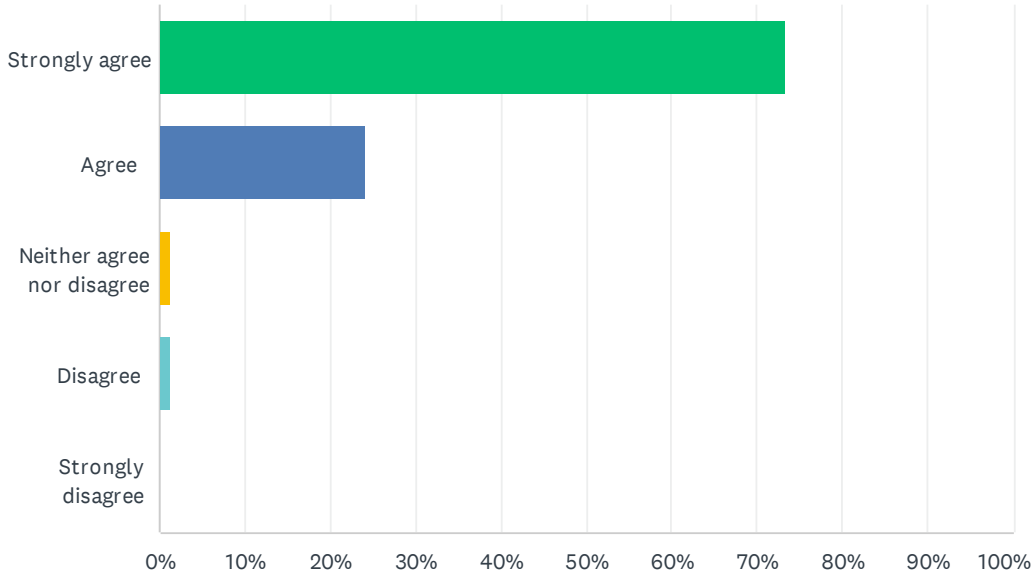
Q1 Pension savers have been actively encouraged to save in a tax-advantaged environment by successive Governments. The introduction of IHT on unused pensions is both a retrospective and unfair tax.



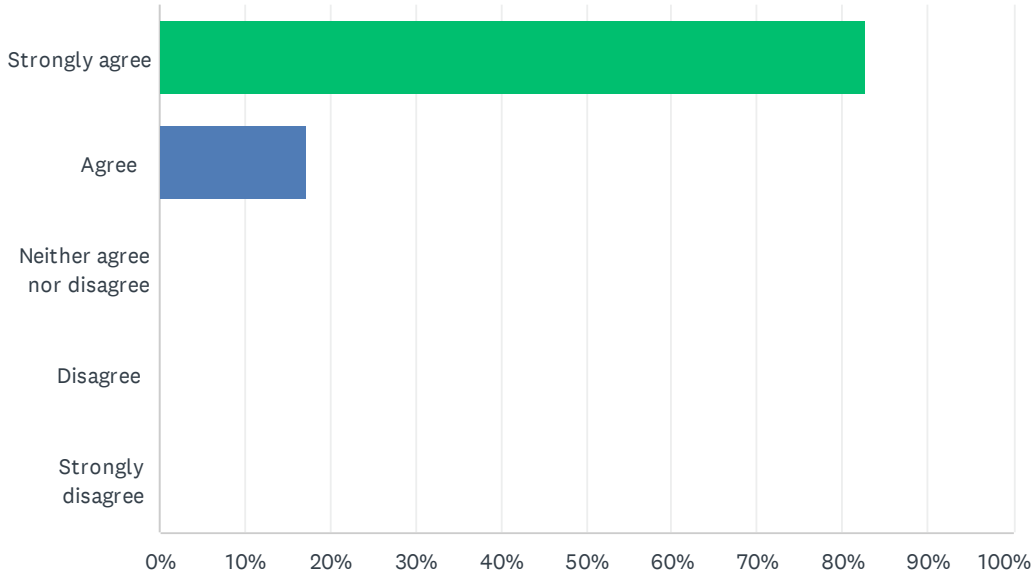
Q2 The proposals are forcing pensions into an IHT regime that does not accommodate the practicalities of current pension rules or administration process. Timescales for payment of any IHT are unworkable as they do not acknowledge the complexities of discretionary death benefit



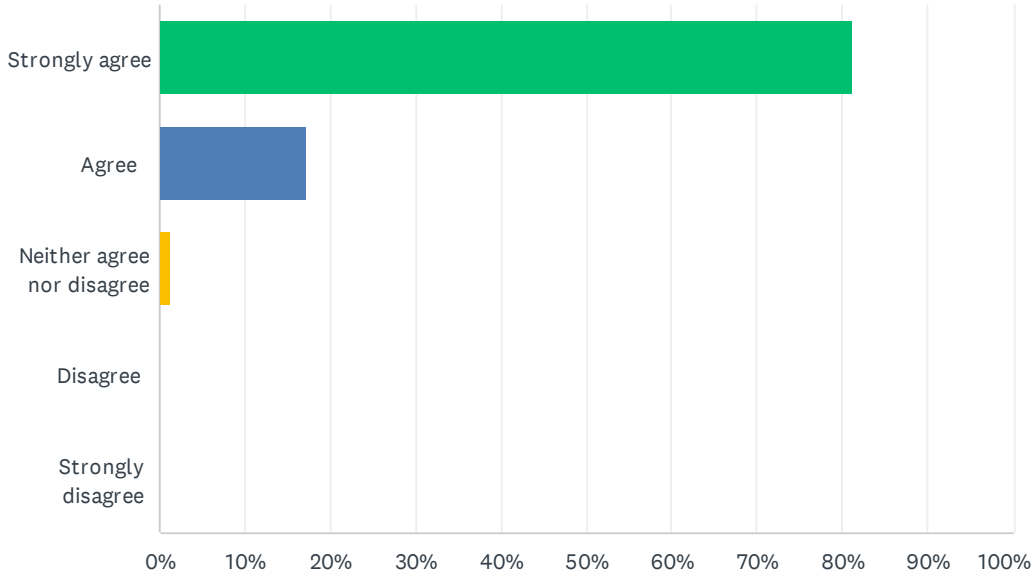
Q3 Trustees and providers will incur additional costs to administer the proposals and these will undoubtedly be passed on to consumers. This burden is both unfair and is likely to reduce pension engagement, and therefore contrary to Government policy.



Q4 The proposals assume that personal representatives will have the key information required to pay discretionary benefits immediately (following the member's death)and that the pension has sufficient liquidity to pay any IHT due. Neither of these principles can be relied upon.



Q5 Taken as a whole, the proposals, the potential unexpected tax burden and the greater complexity will act as a major disincentive for consumers to engage with pensions.



The reproduction of any part of this material without prior written permission is strictly prohibited .

© WBR Group Holdings Limied 2025