

Press Comment***3 December 2014*****How much tax will your employees pay in retirement? New pension reforms confirmed in the Autumn Statement demonstrates the need for advice**

The Chancellor has delivered the Autumn Statement which revealed an ISA limit increase to £15,240 from April 2015.

The Chancellor has confirmed that in addition to the pension changes announced in the Budget, he will be scrapping the **death tax** on pensions and from joint life and guaranteed annuities for those who die before the age of 75. He also announced that from 3 December 2014, if an ISA holder dies, they will be able to pass on their ISA benefits to their spouse or civil partner by an additional ISA allowance which will be available from next tax year.

Jonathan Watts-Lay, Director, WEALTH at work, comments, "The ability to pass on pension without death tax and ISA allowances is great news as is the pension flexibility announced earlier this year in the Budget. How you use your pensions and ISAs to make the most of these new tax efficiencies is best done with the help of a professional financial adviser".

WEALTH at work – leading providers of financial education, guidance and advice in the workplace conducted a survey to understand employer opinions on the retirement income options available for employees.

The survey revealed that 58% of participants believe their employees are unaware of their retirement income options such as annuities and income drawdown, and 53% of them believe their employees aren't aware of the advantages and disadvantages of each retirement income option.

Watts-Lay continues, "This means that employees could be missing out on getting the right retirement income and may lose thousands of pounds over the course of their retirement, either through not getting as much income as they should have or paying more tax than they needed. Financial education, guidance and advice are all tools available to employers and employees to minimise the risk of making unsuitable and often irreversible choices."

Notes to editors:

All statistics quoted are from the WEALTH at work: Do your employees need to rethink retirement? Our survey results 2014 See [LINK www.wealthatwork.co.uk/corporate/yoursay/](http://www.wealthatwork.co.uk/corporate/yoursay/)

WEALTH at work is a leading provider of financial education in the workplace. It provides a service which helps employees to understand how to maximise the value of their benefits by delivering financial education tailored to the needs of individual companies and of different employee groups within those companies. This can then be supported by online guidance and an advice service which allows, for example, the linking of company share schemes to pensions and ISAs, retirement income

planning for retirees and specialist support and guidance for senior executives. For more information, visit www.wealthatwork.co.uk

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