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Personal Pensions Statistics



A National Statistics Publication

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From September 2018 onwards, the publication includes two new tables, PEN7 and PEN8. These publications have not currently been awarded National Statistics accreditation. As such, they are listed as official statistics.

These statistics are next updated in September 2019, from which point going forward all tables will be published in September each year.

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Introduction

About these statistics

This publication contains information on personal pensions based on data that pension schemes are required to report to HM Revenue and Customs. It is divided into four sections:

- Section 1 provides headline figures for this publication
- Section 2 provides commentary and analysis of the key trends in personal pension contributions and tax relief;
- Section 3 provides background information on the different types of pensions and their tax treatment;
- Section 4 contains detailed statistical tables; and
- Section 5 contains details of the data used in this publication and the estimation methodologies.

New or updated statistics in this release

This latest release includes new 2017-18 estimates for pension contributions shown in tables for: Personal pension contributions by type of contribution (PEN1), Contributions to stakeholder and non-stakeholder personal pensions (PEN2), Non-stakeholder personal pension contributions by type of contribution (PEN2.1), Stakeholder personal pension contributions by type of contribution (PEN2.2), Cost of tax relief for registered personal pensions (PEN6). In addition, figures for previous years in tables PEN1-6 have been revised.

Developments

The UK Statistics Authority's review of HMRC savings statistics, including information published here on personal pensions can be found by following the link below:-

<http://www.statisticsauthority.gov.uk/assessment/assessment/assessment-reports/assessment-report-235---hm-revenue-and-customs-statistics.pdf>

User engagement

HMRC are committed to providing impartial quality statistics that meet our customers' needs. Feedback from users is welcome at any time, and you can contact the responsible statistician (see page 1) or use the feedback form on the HMRC website.

<https://www.gov.uk/government/organisations/hm-revenue-customs/about/statistics>

Changes to statistics in this release

The following tables:

- Personal pensions contributions by type of contribution (PEN1)
- Contributions to stakeholder and non-stakeholder personal pensions (PEN2)

- Non-stakeholder personal pensions contributions by type of contribution (PEN2.1)
- Stakeholder personal pensions contributions by type of contribution (PEN2.2)
- Number of individuals contributing to personal pensions and average contribution by status (PEN3)
- Number of individuals contributing to personal pensions by age and gender (PEN4)
- Number of individuals contributing to personal pensions by country and region (PEN5)

have been revised to remove master trust pension schemes which use the relief at source mechanism. These pensions had previously incorrectly been included as personal pensions in the statistics in this publication, when they are in fact occupational pension schemes. Removing master trusts from these tables has resulted in a significant decrease in the number of members contributing to personal pension schemes, but a much smaller decrease in the value of contributions. This is to be expected, as the growth in the usage of master trust schemes has mainly been driven by automatic enrolment, bringing in a considerable number of new members saving at relatively low levels. These changes only reflect a definitional change in what pensions are included and not included in these tables as personal pensions.

These tables have also been revised to include methodological improvements cross referencing and aligning the administrative data sources we receive for personal pension schemes which are used in this release. This has led to overall contributions being revised upwards for 2012-13 to 2016-17, taking account of more complete information on personal pensions. The magnitude of these increases in contributions far outweigh the decrease in contributions due to the removal of master trusts, as most members of master trusts contributed at relatively low levels.

The table showing Cost of tax relief for registered personal pensions (PEN6), has been redesigned using a new methodology. Further details of this can be found on page 29 where the new table for PEN6 is included and on page 20 where PEN6 outputs are discussed in more detail, however the main changes include:

- more accurate effective tax rates for pension tax relief calculated using individual tax rate relief calculations from pension data in the Annual Survey of Hours and Earnings
- updated ONS data sources on investment income of pension funds
- using HMRC's Real Time Information (RTI) Pay as you Earn (PAYE) administrative data on pension payments and tax paid on pension payments, replacing a methodology which was based on survey sources

Table PEN6 also includes a new breakdown of the cost of NICs relief on employer contributions by class 1 primary (employee) NICs and class 1 secondary (employer) NICs.

Planned updated release timetable

This publication currently follows a bi-annual schedule, where the tables showing Personal pensions contributions by type of contribution (PEN1), Contributions to stakeholder and non-stakeholder personal pensions (PEN2), Non-stakeholder personal pension contributions by type of contribution (PEN2.1), Stakeholder personal pension contributions by type of contribution (PEN2.2), Cost of tax relief for registered personal pensions (PEN6) are updated in February. The tables for Number of individuals contributing to personal pensions and average contribution by status (PEN3), Number of individuals contributing to personal pensions by age and gender (PEN4), Number of individuals contributing to personal pensions by country and region (PEN5), Pensions Annual Allowance Statistics (PEN7) and Pensions Lifetime Allowance Statistics (PEN8) are currently updated in September.

In order to improve the quality of our statistics, HMRC plan to move publication of all these tables to an annual basis each September to align with data availability. This will enable a more robust statistics process which cross references and aligns personal pension administrative data sources which are used in this release for the first time for 2012-13 to 2016-17.

If you have any thoughts on these changes, please contact the statistical contacts listed on the front page of this statistics release.

Section 1 – Headline figures

This section provides key figures from the statistics contained in the release.

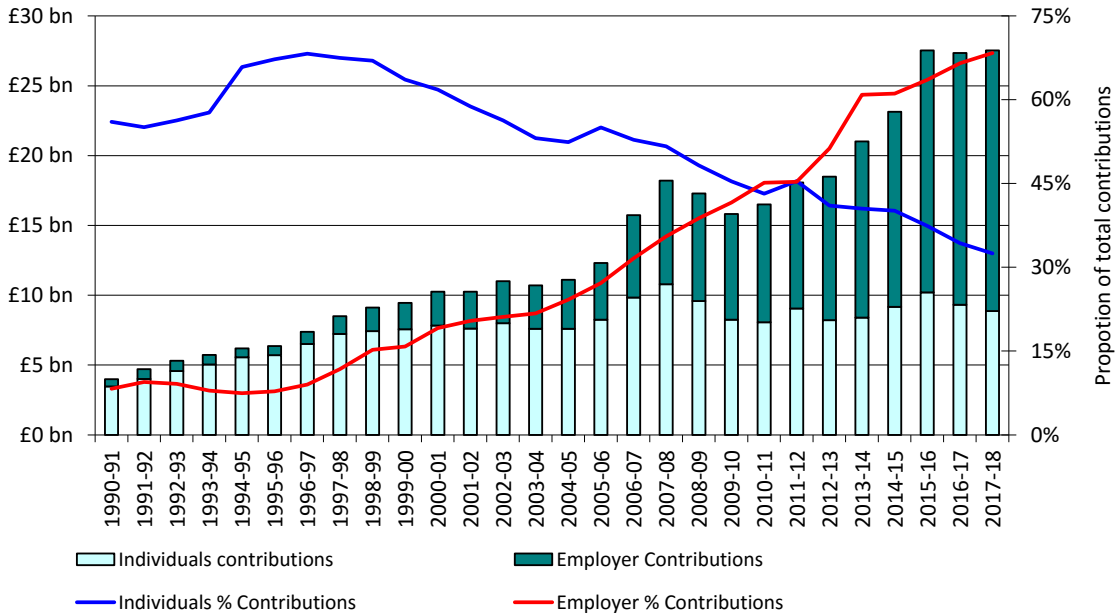
- **£27.5 billion was contributed to personal pensions in 2017-18.** The total value of contributions to pensions have continued rise, increasing by 0.4 percent in 2017-18, up from £27.4 billion in 2016-17.
 - **The number of individuals contributing to a personal pension has increased to 8.5 million in 2016-17.** Showing a sustained year on year increase since the introduction of Automatic enrolment in 2012.
 - **The annual average contributions per individual has increased to £3,200 in 2016-17.** Annual average contributions per individual grew between 2006-07 and 2011-12 (peaking at £3,690 per individual), before falling to £2,840 per individual in 2014-15. The annual average contributions per individual has since increased to £3,200 in the most recent year.
 - **In 2016-17, 5.1 million men and 3.4 million women were contributing to personal pensions.** There are more men in each age group contributing to personal pensions than women, with an overall gender split of around 40 per cent of people contributing to personal pensions are women, and 60 per cent are men.
 - **Individuals under 35 make up 41 per cent of contributors.** In 2012-13 the under 35 age group made up only 19% of those paying into personal pensions. The number of contributors in the age group has more than doubled since 2012-13 increasing from 1.3 million to 3.5 million in 4 years.
 - **The South East has the highest proportion of the adult population contributing to personal pensions in 2016-17,** with around 18.8 per cent of the population making contributions. In the same tax year, London saw 18.6 per cent of the adult population making contributions and 18.2% in the East of England.
 - **Gross pension tax relief in 2017-18 is projected to be £38.4 billion, up from £37.3 billion in 2016-17.** This tax relief also includes relief on contributions to occupational pensions, and relief on investment returns as well as personal pensions.
 - **Tax on private pensions in payment has increased to £18.4 billion in 2017-18 from £17.9 billion in 2016-17.** The estimated net cost of pension tax relief has increased to £20 billion, from £19.4 billion in 2016-17.
 - **In 2016-17 16,590 tax payers reported pension contributions exceeding their annual allowance through self-assessment.** 2016-17 is the first year affected by the tapered annual allowance, the total value of contributions reported as exceeding the annual allowance was £517 million increasing from £143 million in 2015-16.
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Section 2 – Commentary and analysis

This section provides commentary and analysis on the key features of the statistics contained in the release.

Personal Pensions Contributions by Source (see [PEN1](#))

Chart 1 - Personal Pension Contributions



£27.5 billion was contributed to personal pensions in 2017-18 (Chart 1), equal to the most recent peak in 2015-16, and slightly larger than contributions in 2016-17. Contributions have been around £4.4bn higher in these three years than they were in 2014-15, and are now £6.7bn higher than the peak before the financial crisis in 2007-08.

The proportion of payments contributed by employers has been rising since 1990-91 from around 9% in the early 1990's to 68% in 2017-18. Recent rises in contributions (especially employer contributions) are likely to have been partly as a result of automatic enrolment into workplace pensions. The proportion attributable to individuals has decreased from nearly 50% in the mid 2000's to around 32% in 2017-18.

The Government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012 hence the near-zero figure for minimum contributions from 2013-14 onwards. Contracting out for defined benefit schemes were abolished in April 2016.

Personal Pensions by Type of Schemes (see [PEN2](#))

Chart 2 - Personal Pensions: Numbers of Members and Annual Contributions by Scheme Type and Popularity (2017-18)

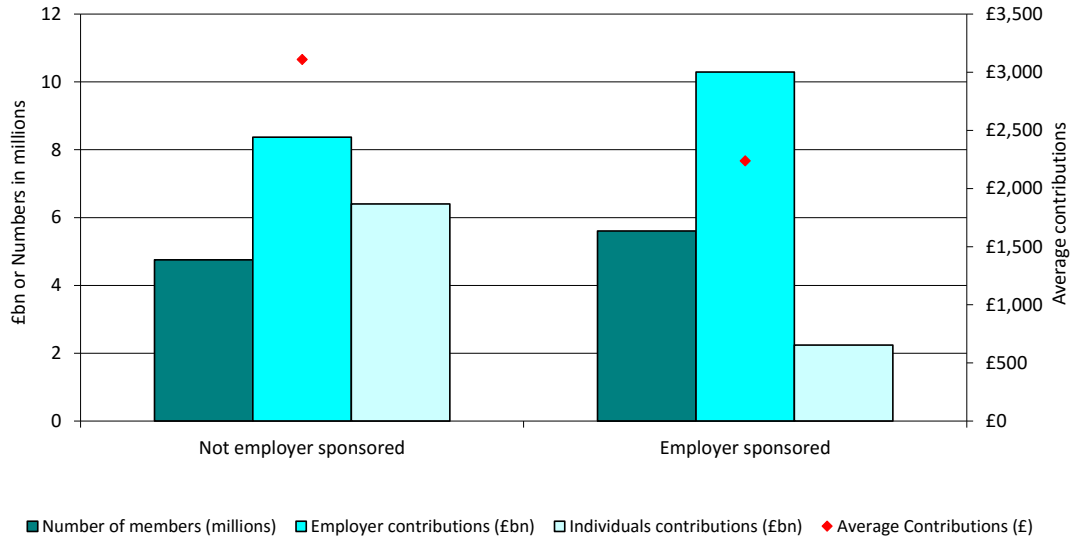
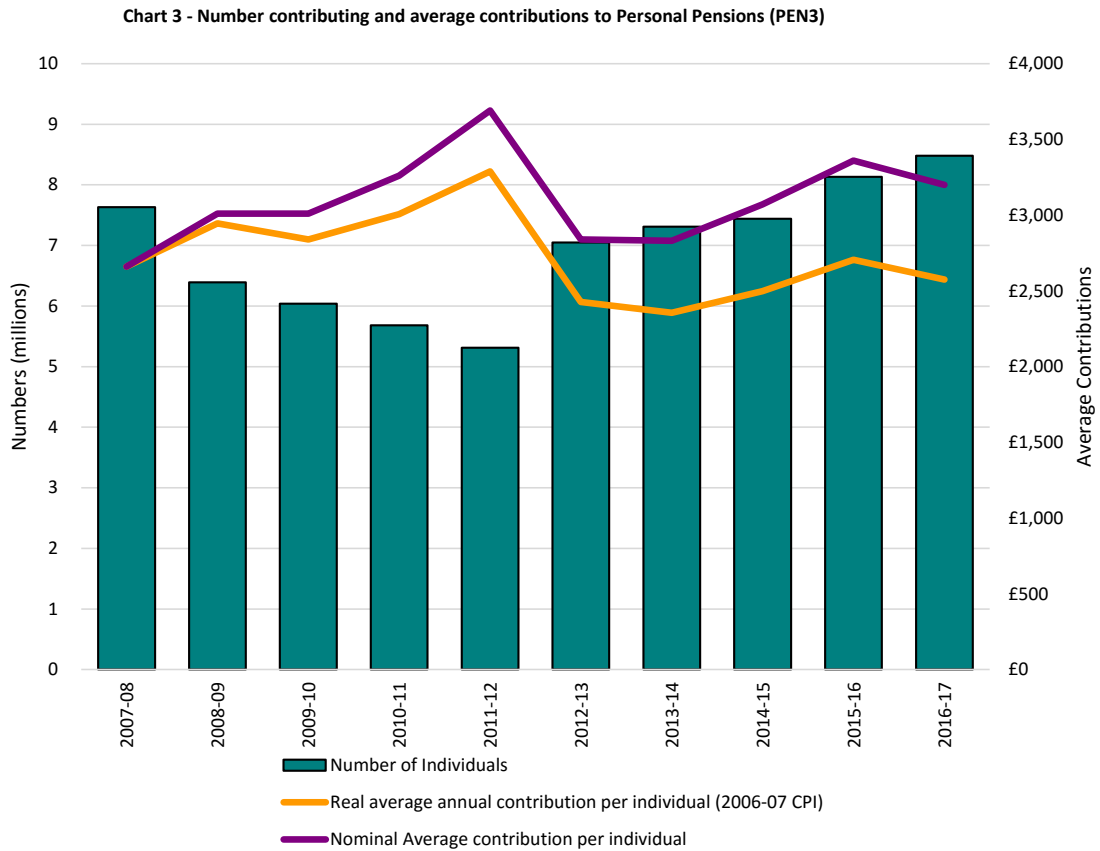


Chart 2 shows personal pension schemes by popularity. Both types of schemes receive more contributions from employers than individuals, with employer sponsored schemes having a larger proportion of contributions made by employers compared to non-employer sponsored schemes. Average total contributions in non-employer sponsored schemes are higher than those of employer sponsored schemes.

The number of members contributing to employer sponsored schemes published here for 2017-18 is around 5 million lower than what was published for 2016-17. This does not reflect a decrease in the number of members in personal pension schemes, but rather reflects the removal of master trust schemes from these personal pension tables. This change has been made this year to remove master trust schemes which were previously included in our personal pension statistics, as master trusts are occupational pension schemes and so should not appear in tables representing personal pensions. This change has been made for all tables PEN1-PEN5. Master trusts have been used mainly to set up automatic enrolment schemes for employers. The effect of removing master trusts from our statistics has therefore been a significant decrease in the number of members in PEN2, a 50 per cent decrease from 15.6 million members 2016-17 (the last published figure using the previous definition), to 10.4 million members in 2017-18 (in this release). The equivalent figure for 2016-17 using the improved methodology would be 9.4 million members.

Number contributing and average contributions to Personal Pensions (see [PEN3](#))



The number of individuals contributing to a personal pension has increased to 8.5 million in 2016-17. This is the highest level since these statistics began; higher than the 8.1 million seen in 2015-16. There are currently 3 million more individuals contributing to personal pensions than the low of 5.3 million in 2011-12, and a 0.4 million increase from 2015-16. As with 2015-16, this increase is likely to reflect the effects of automatic enrolment.

As with table PEN2, the number of individuals across all years since 2012-13 has decreased compared to previous iterations of this publication, as master trust pensions have been removed from these statistics.

It should be noted that this chart only shows the numbers saving into personal pensions (which can be employer sponsored), but other types of pension (e.g. occupational defined contribution, occupational master trust schemes, or defined benefit) can also be used for automatic enrolment.

Annual average contributions per individual grew between 2006-07 and 2011-12 (peaking at £3,690 per individual), before falling to £2,840 per individual in 2014-15. The annual average contributions per individual has since increased to £3,200 in the most recent year.

Employees and the self-employed make up the bulk (99 per cent) of contributors to personal pensions. Carers, the unemployed, children, those in education, and those already drawing a pension account for the remainder.

Personal Pension contributors by age and gender (see [PEN4](#))

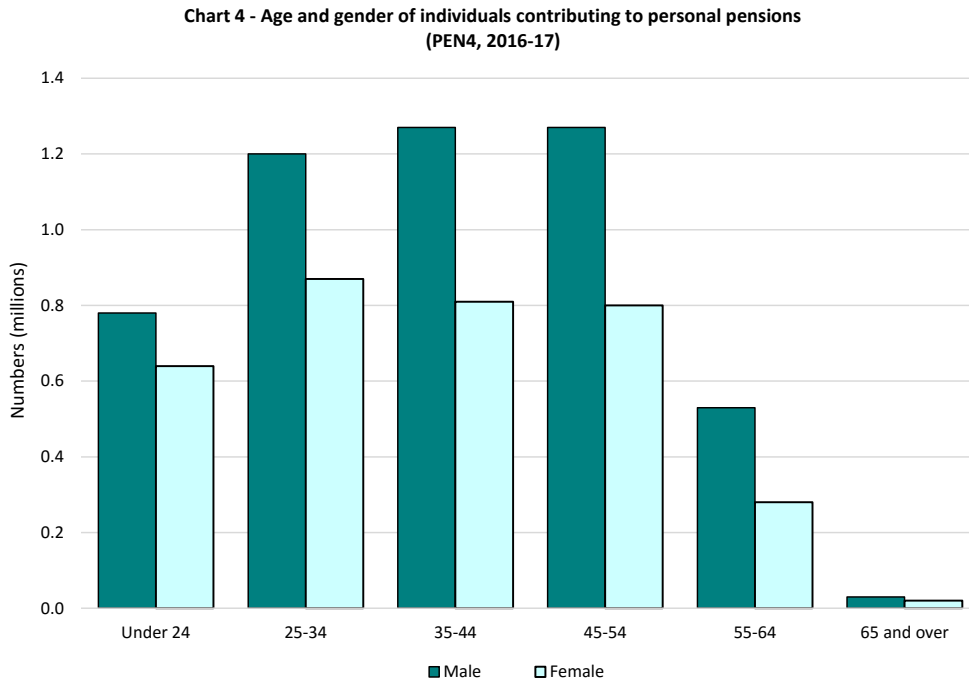


Chart 4 shows that in 2016-17 there are more men in each age group contributing to personal pensions than women, with an overall gender split of around 40 per cent of people contributing to pensions are women, and 60 per cent are men.

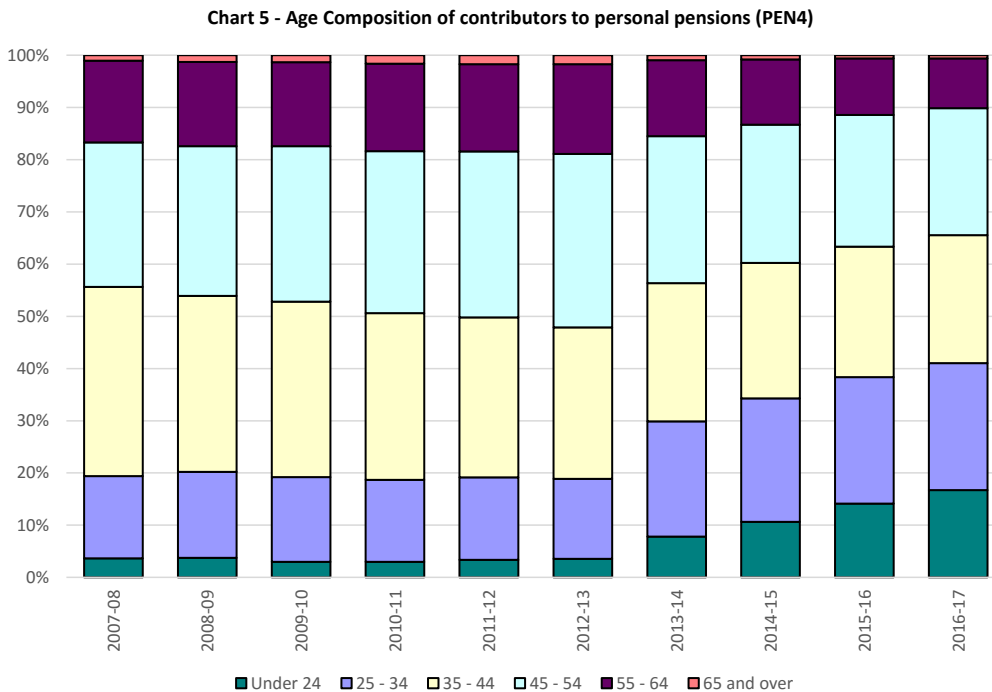


Chart 5 shows that contributions by the under 24 and 25-34 age groups have remained strong possibly because of automatic enrolment. This group now make up around 41 per cent of contributors in 2016-17 (up from around 20 per cent in 2012-13).

Geographical location of contributors to Personal Pensions (See [PEN5](#))

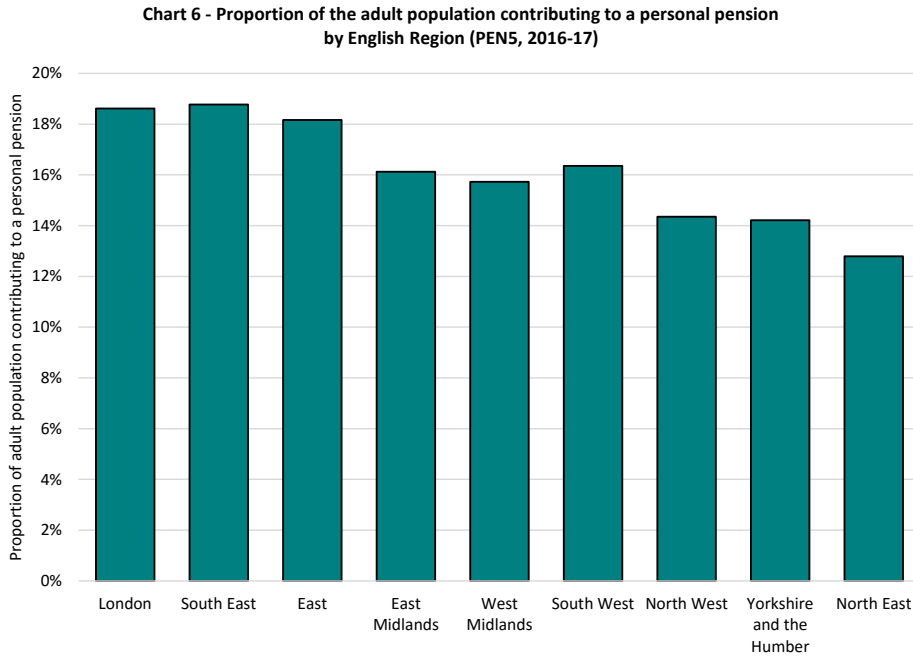


Chart 6 shows that, in England, the South East has the highest proportion of the adult population contributing to personal pensions, with around 19 per cent of the population making contributions, whilst the North East shows the lowest participation, at around 13 per cent of adults.

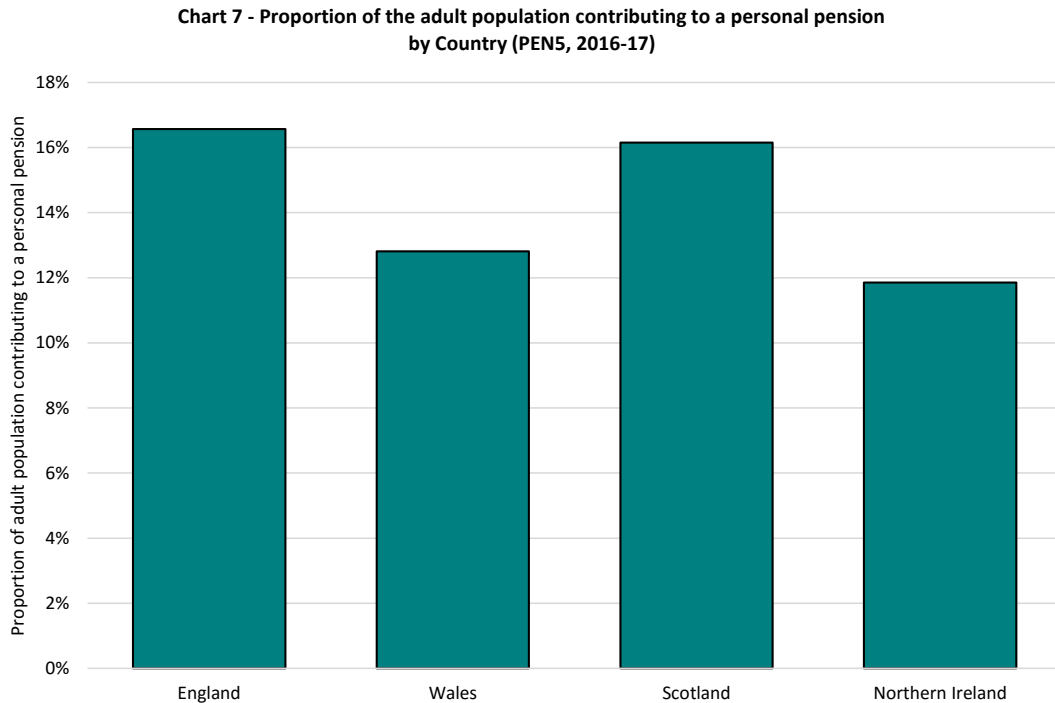
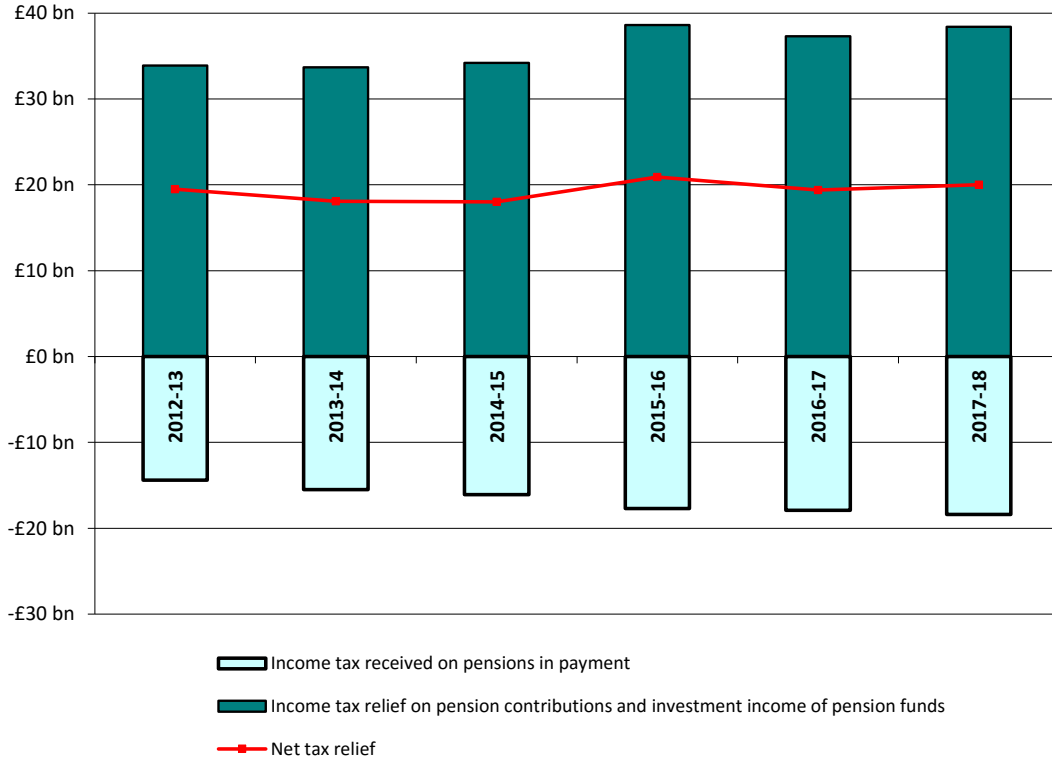


Chart 7 shows that contributions are highest as a proportion of the adult population in England where 16.6% of the population contribute, while participation is lowest, at 11.9% in Northern Ireland.

Cost of tax relief of registered pension schemes (See [PEN6](#))

Chart 8 - Cost of Pension Tax Relief and Tax on Pensions in Payment (PEN6)



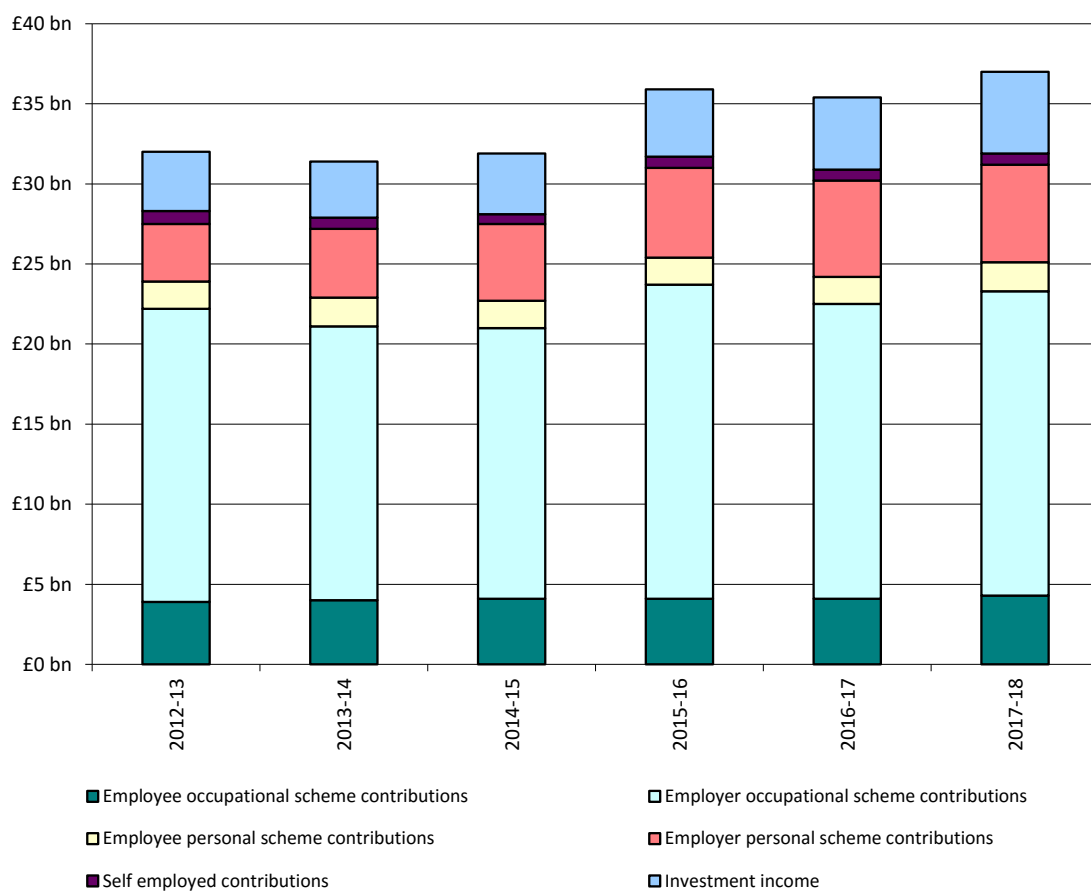
Gross pension tax relief in 2017-18 is projected to be £38.4 billion, up from £37.3 billion in 2016-17. The general rise is expected to be partly the result of the introduction of automatic enrolment, which has increased the number of individuals saving and thus the total amount saved into workplace pensions in recent years. Reductions in the annual and lifetime pensions tax allowances were expected to be the main cause of the flattening cost of pensions tax relief in earlier years.

Tax received by the government on pensions in payment in 2017-18 was £18.4 billion; the highest level since these statistics began, and reflecting the general year-on-year increase seen since 2012-13.

Estimates of tax received on pensions in payment for all years from 2012-13 onwards have been revised upwards, reflecting a switch in methodology to using administrative tax data showing payments made by pension schemes. This replaces estimates previously used which were based on ONS data series. Using administrative data gives us a more complete picture of pension payments and their trends over time, thus increasing the estimates, particularly in later years.

We have also changed the ONS series we use to estimate contributions to occupational pension schemes, making use of the ONS' Annual Survey of Hours and Earnings. This allows more accurate estimation of the average tax rate of relief given to employee and employer pension contributions.

Chart 9 - Gross Tax Relief by Source (PEN6)



The sources of pension tax relief are illustrated in Chart 9. Income tax relief in respect of employer contributions to occupational schemes increased in 2017-18, remaining the largest element of tax relief at around 65 per cent of total relief. Contributions to personal pensions by employers and employees account for about 20 per cent of the total relief and contributions by the self-employed a further 2 per cent. The remainder of the cost of relief is relief on investment income.

Section 3 – Background on pensions and their tax treatment

Pensions overview

In general, a pension is an arrangement to provide an individual with a regular income when they retire. There are three main types of pension;

- State Pensions;
- Occupational Pensions; and
- Personal Pensions.

Occupational Pensions and Personal Pensions are both private pensions.

State Pensions

The State Pension is a regular payment paid by the state that people can receive when they reach State Pension age.

Occupational pensions

Occupational pension schemes are arrangements established by employers to provide pensions to their employees. In the public sector, occupational pensions are those which are provided by the employer (central or local government). In the private sector, occupational pensions are employer-sponsored schemes with scheme trustees that are set up under trust law by one or more employers for the benefit of their employees. Occupational pensions can either be defined contribution (DC, where either the employee, employer or both contribute, and then use the accumulated funds to provide an income at retirement – these can also be administered under master trust arrangements), or defined benefit (DB, where an employer agrees to pay the individual a certain pension income at retirement, usually based on the number of years they have worked for the employer and their average or final income during their period of employment).

Personal pensions

Personal pensions are defined contribution arrangements between an individual and a pension provider, usually a financial organisation such as building society, bank, or insurance company into which an employer might also contribute. The term personal pension is used to refer to arrangements established since the rules were liberalised in the 1980s, and can be subdivided into two main types. Personal pensions can either be arranged directly between the individual and provider, or in many cases established by an employer as a way of providing all of its employees access to a pension plan run by a pension provider. These are often referred to as Group personal pensions (GPP) or employer sponsored pensions, but may not be arrangements exclusive to that employer, and might be available for sale to the general public. Although they are sometimes referred to as company pensions, they are not run by employers and should not be confused with occupational pensions which are. The employer will also normally contribute to the GPP.

Stakeholder pensions are personal pension schemes set up on terms which meet standards set by the government. For example, there are restrictions on the charges the provider may make.

The majority of the statistical information contained in this note and published by HMRC relates to personal pensions (the exception being the information contained in PEN6, and new tables PEN7 and PEN8). This is by virtue of HMRC’s involvement in the administration of basic rate tax relief that personal pension providers are able to claim on contributions received from individuals. Occupational pension contributions on the other hand receive all their relief at source using the Net Pay mechanism.

The tax relief received by providers of personal pensions is treated in these statistics as representing contributions by individuals and their contributions have been adjusted to reflect this.

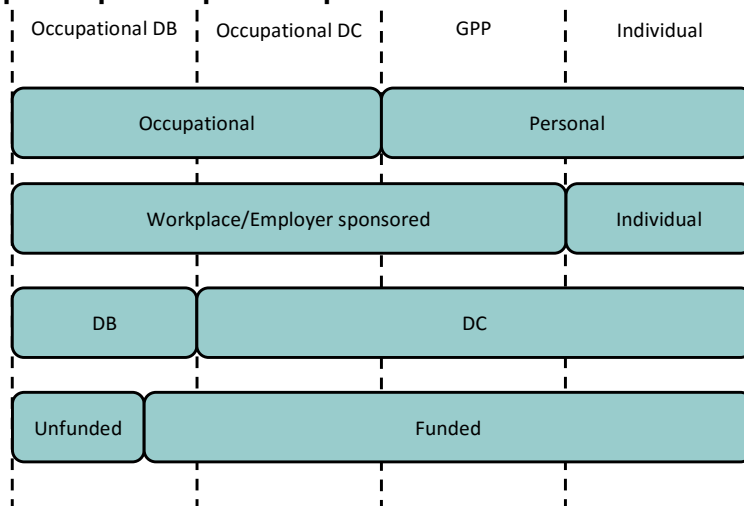
The statistics published here on contributions to personal pensions make a distinction between employer and non-employer sponsored schemes. In practice employers can contribute to either type of scheme and in completing the statistical returns pension providers report schemes as follows:-

Table 1 - Employer and Non-Employer Sponsored Personal Pension Schemes

	<u>Non-Stakeholder contracts</u>	<u>Stakeholder Pension contracts</u>
Employer sponsored:	<ul style="list-style-type: none"> • all Group Personal Pensions • all contracts within a scheme set up by an employer. 	<ul style="list-style-type: none"> • contracts for members of SHP schemes nominated by employers or set up by an employer.
Non-employer sponsored:	<ul style="list-style-type: none"> • contracts under a scheme set up by a financial institution and offered for general sale to the public. 	<ul style="list-style-type: none"> • all SHP schemes arranged via Trade Unions or other bodies • contracts under a stakeholder scheme set up by a financial institution which are offered for general sale to the public.

Figure 1 below summarises the different types of non-state pension.

Figure 1 - Types of private pension provision



Source: Adapted from 'Pensions: Challenges and Choices, the First Report of the Pensions Commission', Pensions Commission, October 2004. Not to scale – figure does not represent the number of memberships of these various types of private pensions.

The taxation of pensions

The tax treatment of pensions can be described in relation to the way in which:

- (i) the contributions are taxed;

- (ii) the investment returns are taxed; and
- (iii) the pension benefits are taxed.

A regime described as exempt, exempt, taxed (EET) would mean that the income from which the contributions are paid is exempt from tax; as are the investment gains; but that the withdrawals are taxed. Alternatively, TTE would mean that the income from which the contributions are paid is taxed; as are the investment returns; but that the withdrawals are exempt from taxation. The tax treatment depends on whether the pension scheme is registered with HMRC or not.

The taxation of registered pension schemes

Tax on contributions

Income tax relief is available on individual and employer contributions to registered pension schemes up to an annual allowance (see below). Furthermore, employer contributions are not subject to either employer or employee NICs. Relief is available on individual contributions worth up to 100 per cent of individuals' earned income or £3,600, whichever is greater.

Contributions in excess of the annual allowance (AA)

As individuals get upfront relief on all their pension contributions, they are subject to tax charge on any pension savings in excess of an annual allowance plus any unused allowance from the previous three years. The annual allowance for the present tax year (2017-18) is £40,000 for individuals with gross incomes under £150,000, tapered to £10,000 for individuals with gross incomes of over £210,000¹. More information on the Annual Allowance and Lifetime Allowance since April 2006 can be found at the end of this section.

Contracting out

The Government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012. Contracting out for defined benefit schemes was abolished from April 2016.

Contracting out referred to leaving the additional State Pension. This option was available to employees with annual earnings above a certain amount, and with a private pension. The self-employed were not eligible for the State Second Pension so could not contract out.

For individuals in an employer's occupational pension scheme, contracting out meant both the individual and their employer paid a lower, reduced rate National Insurance contributions.

Individuals that contracted out and had a stakeholder pension or a personal pension continued to pay the full rate of National Insurance. However HMRC would pay National Insurance rebates (sometimes known as the minimum contribution) directly to the private pension scheme. Individuals could also join a stakeholder pension scheme or a personal pension scheme without contracting out of the additional State Pension.

¹ More information on the pension tapered Annual Allowance can be found here: <https://www.gov.uk/government/publications/pensions-tapered-annual-allowance/pensions-tapered-annual-allowance>

Tax on investment returns

All investment returns in registered pension schemes are exempt from taxation.

Tax on withdrawals

The way in which the withdrawals of pension savings in registered schemes are taxed depends on an individual's circumstances. In particular, the size of their pension fund. In general:

- **Individuals with total pension savings of less than £30,000** are allowed to withdraw the entire amount out as a lump sum. If the right to the pension has not yet arisen (i.e. the pension is not in payment or hasn't been voluntarily deferred by the pensioner), the first 25 per cent of these amounts are tax free. All other payments are taxed as pension income at the individual's marginal rate and free from NICS. These are known as the trivial commutation rules.
- **Individuals with funds above £30,000 but below the Lifetime Allowance (LTA, £1million in 2017-18)** can also withdraw tax-free up to 25 per cent of their pension savings after the age of 55.
- Individuals with pension funds that include one or more funds in occupational scheme of value less than £10,000 are allowed to take the entire amounts in these schemes out as a lump sum no matter how large their total pension savings. In addition, funds of £10,000 or less held in personal pension arrangements can be paid out as lump sum payment to individuals aged 55 or over, as an authorised payment, provided certain conditions are met. An individual may only have three such lump sum payments in their lifetime. Lump sum payments made under these rules are taxed as if they were subject to the trivial commutation rules – see above.
- **Individuals with funds above the LTA** are subject to different tax rates, depending on how the funds are withdrawn: Any funds above the LTA that are taken out as a lump sum are taxed at 55 per cent; and any funds that are used to provide a pension are taxed at 25 per cent (the pension income is then taxed at the individual's marginal tax rate).

Freedom and choice in pensions

- Since April 2015, individuals aged 55 and over can access their defined contribution pension savings as they wish, subject to their marginal rate of income tax. Further details on this can be found in “Freedom and choice in pensions: government response to the consultation”, available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/332714/pensions_response_online.pdf
- HMRC publishes statistics on the number and value of flexible payments made from pensions since April 2015. These can be found here: <https://www.gov.uk/government/statistics/flexible-payments-from-pensions>

Changes to the Annual allowance and LTA

The table below sets out recent annual allowance and lifetime allowances.

Lifetime and annual pension contribution allowances eligible for tax relief 2006-07 to 2019-20

Tax Year	Annual Allowance	Tapered Annual Allowance Minimum ²	Lifetime Allowance
2006-07	£215,000	-	£1.50 million
2007-08	£225,000	-	£1.60 million
2008-09	£235,000	-	£1.65 million
2009-10	£245,000	-	£1.75 million
2010-11	£255,000	-	£1.80 million
2011-12	£50,000	-	£1.80 million
2012-13	£50,000	-	£1.50 million
2013-14	£50,000	-	£1.50 million
2014-15	£40,000	-	£1.25 million
2015-16	£40,000	-	£1.25 million
2016-17	£40,000	£10,000	£1.00 million
2017-18	£40,000	£10,000	£1.00 million
2018-19	£40,000	£10,000	£1.03 million
2019-20	£40,000	£10,000	£1.055 million

Since April 2016 there has been a taper to the Annual Allowance for those with adjusted annual incomes, including their own and employer’s pension contributions, over £150,000. For every £2 of adjusted income over £150,000, an individual’s Annual Allowance is reduced by £1, down to a minimum of £10,000.

PEN7 and PEN8

As part of the September 2018 release we introduced two new tables, PEN7 and PEN8, providing information on data HMRC holds for individuals exceeding their Annual Allowance and Lifetime Allowance and tax charges paid on the excess. Where an individual has exceeded either their Annual Allowance or the Lifetime Allowance, they must report this by filling a self-assessment tax return – form SA101.

² For individuals with total incomes over £150,000

Pension providers will normally deduct any Lifetime Allowance tax charge from an individual's pension benefits where there is a benefit crystallisation event (BCE) leading to an entitlement to benefits. Since 2011-12, where an individual's annual allowance charge exceeds £2,000, they may ask their pension provider to pay this on their behalf and reduce their pension benefits by a corresponding amount. Prior to this, all annual allowance charges had to be paid via Self-Assessment. HMRC does not hold details of those individuals who are subject to the Annual Allowance taper or Money Purchase Annual Allowance, or the tax charge arising to these individuals, separately from the overall totals.

Where a pension provider pays an Annual Allowance tax charge on an individual's behalf, or deducts the amount of a lifetime allowance charge from the individual's benefits, this is reported to HMRC via the Accounting for Tax Return. Any Annual Allowance charge payments reported will likely relate to contributions exceeding the Annual Allowance two tax years prior. The charge would first need to be reported via Self-Assessment the January following from the tax year end, and the scheme then has to file the Accounting for Tax Return and pay the charge by the following February.

For both the Annual Allowance and the Lifetime Allowance, information provided on the Accounting for Tax Return relates only to payments, and therefore the number and total value of these payments. The value by which an individual exceeds their allowances is not reported. This is reported by the individual via Self-Assessment. HMRC believes that this information is incomplete for the Lifetime Allowance, and so is not published in this release.

Section 4 – Tables

Table list

This section contains the following tables. Microsoft Excel versions of these are available here: <https://www.gov.uk/government/collections/personal-pensions-statistics>

Table PEN1	Formally published as Table 7.16, this table shows contribution to all personal persons by type of contribution for years 1990-91 to 2017-18; 2017-18 published April 2019.
Table PEN2	Formally published as Tables 7.4 & 7.5, this table shows the combined number of members and value of contributions to stakeholder and non-stakeholder personal pensions; 2017-18 published April 2019.
Table PEN2.1	Formally published as Table 7.4 and is the non-stakeholder element of Table PEN2; 2017-18 published April 2019.
Table PEN2.2	Formally published as Table 7.5 and is the stakeholder element of Table PEN2; 2017-18 published April 2019.
Table PEN3	Formally published as Table 7.10, this table shows the number of individuals contributing to personal pensions and average contribution by status for each of the years 2001-02 to 2016-17: 2016-17 initially published September 2018 and revised April 2019.
Table PEN4	Formally published as Table 7.11, this table shows the number of individuals contributing to personal pensions by age and gender for each of the years 2001-02 to 2016-17: 2016-17 initially published September 2018 and revised April 2019.
Table PEN5	Formally published as Table 7.12, this table shows the number of individuals contributing to personal pensions by country and region for each of the years 2001-02 to 2016-17: 2016-17 initially published September 2018 and revised April 2019.
Table PEN6	Formally published as Table 7.9, this table shows the cost of tax relief for registered personal pensions for each of the years 2012-13 to 2017-18: published April 2019.
Table PEN7	This table shows the number of individuals exceeding their Annual Allowance, the amounts exceeded, and tax charges arising from exceeding the Annual Allowance: published September 2018.
Table PEN8	This table for 2018. This table shows the number of individuals exceeding their Lifetime Allowance, the amounts exceeding, and tax charges arising from exceeding the Lifetime Allowance; published September 2018.

PEN1 Personal Pensions, Retirement Annuity Contracts and Free Standing Additional Voluntary Contributions



By type of contribution

Numbers: Thousands Amounts: £ million

Year	Personal pension contributions (stakeholder and non-stakeholder)						
	Individuals Contributions ¹	of which Self-employed ²	Employer Contributions	Minimum Contributions ³	RACs ⁴	FSAVCs ⁴	Total
1990/91	1,450		510	2,210	1,860	160	6,190
1991/92	2,010		690	2,580	1,720	280	7,280
1992/93	2,590		740	2,810	1,560	420	8,120
1993/94	3,040		690	3,000	1,400	600	8,730
1994/95	3,550		630	2,250	1,340	670	8,440
1995/96	3,750		660	2,120	1,250	700	8,480
1996/97	4,540		860	2,170	1,230	740	9,540
1997/98	5,210		1,260	2,220	1,230	790	10,710
1998/99	5,460		1,690	1,970	1,120	850	11,090
1999/00	5,730		1,880	2,450	1,090	750	11,900
2000/01	6,120		2,420	2,420	980	730	12,670
2001/02	6,070	2,510	2,640	2,690	940	600	12,940
2002/03	6,660	2,460	3,000	3,210	800	540	14,210
2003/04	6,460	2,350	3,110	3,590	690	440	14,290
2004/05	6,560	2,240	3,510	3,390	630	410	14,500
2005/06	7,070	2,190	4,070	2,660	780	390	14,970
2006/07	9,290	3,070	5,890	2,900	550	-	18,630
2007/08	10,180	3,530	7,420	2,670	610	-	20,880
2008/09	8,970	2,610	7,710	2,580	610	-	19,870
2009/10	7,840	2,000	7,560	2,370	410	-	18,180
2010/11	7,710	2,150	8,440	2,170	360	-	18,690
2011/12	8,710	2,230	9,020	1,850	340	-	19,910
2012/13 r	7,900	1,750	10,270	1,590	320	-	20,340
2013/14 r	8,110	1,610	12,620	20	290	-	21,020
2014/15 r	8,890	1,690	13,960	0	280	-	23,130
2015/16 r	9,940	1,930	17,330	0	260	-	27,530
2016/17 r	9,070	1,730	18,040	0	240	-	27,360
2017/18 p	8,640		18,660	0	230	-	27,530

April 2019

Footnotes

r. Revised
p. Provisional

1. Includes a provision for basic rate tax relief claimed by pension providers in respect of qualifying contributions from individuals. From 2006-07 includes FSAVC contributions.
2. The table does not give individual contributions by the self-employed as the data required was not available at the time of publication.
3. Minimum contributions represent the rebate paid by HMRC to individuals' funds who have used their personal pension to contract out of the state second pension (state earnings related pension scheme prior to April 2002). The Government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012 hence the near-zero figure for minimum contributions in 2013-14 onwards. Contracting out for defined benefit schemes was abolished from April 2016.
4. No new Retirement Annuity Contracts (RACs) could be taken out from 1 July 1988, although those with contracts at this date could still continue to contribute to them. Figures for 2011/12 onwards are estimates.
5. From 2006/07 information on Free Standing Additional Voluntary Contributions (FSAVCs) was no longer separately collected and any payments are included with individuals contributions.

Note on the Table

- i. All figures are derived from returns made by scheme administrators to HMRC, apart from RACs which are derived from HMRC's Survey of Personal Incomes and Self-Employment Contributions which are derived from a matching of both these sources.
- ii. All statistical tables PEN1 – PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication – reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

PEN2

**Personal Pensions (including stakeholder pensions):
Scheme members' annual contributions**

Numbers of members and value of contributions by type of scheme as reported to HMRC by providers for the year.



Numbers: Thousands Contributions: £ millions

6 April 2017 - 5 April 2018

	Number of members	Contributions			Total
		Minimum contributions	Individuals contributions ¹	Employer contributions	
Employer sponsored schemes	5,604	0	2,240	10,290	12,530
Non-employer sponsored schemes	4,752	0	6,400	8,370	14,770
Total²	10,356	0	8,640	18,660	27,300

April 2019

Footnotes

- 1. Figures include basic rate tax relief repaid to scheme administrators by HM Revenue & Customs.
- 2. Components may not sum to their total due to rounding.

Notes on the Table

- i. The table above shows the contributions made to Personal Pensions, by type of scheme. They are derived from annual statistical returns submitted to HMRC by pension providers. Due to late returns by providers the tables may subsequently be revised.
- ii. The number of members relates to members of each reporting provider and should not be taken as numbers of individuals, since individuals can have more than one pension provider.
- iii. Employer sponsored schemes include contracts for schemes nominated by employers or set up under a trust by an employer.
- iv. Non-Employer sponsored schemes are contracts set-up by a financial institution and offered for sale to the public, and include schemes arranged via Trade Unions or other bodies.
- v. Minimum contributions represent the rebate paid by HMRC to individuals' funds who have used their personal pension to contract out of the state second pension (state earnings related pension scheme prior to April 2002). The Government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012 hence the zero figure for minimum contributions. Contracting out for defined benefit schemes was abolished in April 2016.
- vi. All statistical tables PEN1 – PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication – reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

**PEN2.1 Non-Stakeholder Personal Pensions:
Scheme members' annual contributions**
Numbers of members and value of contributions by type of scheme



Numbers: Thousands Contributions: £ millions

6 April 2017 - 5 April 2018

	Number of members	Minimum contributions	Contributions		Total
			Individuals contributions (1)	Employer contributions	
Employer sponsored schemes	4,199	0	1,840	8,630	10,470
Non-employer sponsored schemes	4,110	0	5,650	8,090	13,730
Total²	8,309	0	7,490	16,720	24,200

April 2019

Footnotes

1. Figures include basic rate tax relief repaid to scheme administrators by HM Revenue & Customs.
 2. Components may not sum to their total due to rounding.
- "-" denotes nil or negligible or not applicable.

Notes on the Table

- i. The table above shows the contributions made to Personal Pensions, by type of scheme. They are derived from annual statistical returns submitted to HMRC by pension providers. Due to late returns by providers the tables may underestimate both the numbers and contributions made during the year.
- ii. The number of members relates to members of each reporting provider and should not be taken as numbers of individuals, since individuals can have more than one pension provider.
- iii. Employer sponsored schemes include contracts for schemes nominated by employers or set up under a trust by an employer.
- iv. Non-Employer sponsored schemes are contracts set-up by a financial institution and offered for sale to the public, and include schemes arranged via Trade Unions or other bodies.
- v. Minimum contributions represent the rebate paid by HMRC to individuals' funds who have used their personal pension to contract out of the state second pension (state earnings related pension scheme prior to April 2002). The Government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012 hence the zero figure for minimum contributions. Contracting out for defined benefit schemes was abolished from April 2016.
- vi. All statistical tables PEN1 – PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication – reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

**PEN2.2 Stakeholder Personal Pensions:
Scheme members' annual contributions**

Numbers of members and value of contributions by type of scheme as reported to HMRC by providers for the year.



Numbers: Thousands Contributions: £ millions

6 April 2017 - 5 April 2018

	Number of members	Minimum contributions	Contributions		Total
			Individuals contributions (1)	Employer contributions	
Employer sponsored schemes	1,405	0	400	1,660	2,060
Non-employer sponsored schemes	643	0	750	280	1,040
Total²	2,047	0	1,150	1,950	3,100

April 2019

Footnotes

- 1. Figures include basic rate tax relief repaid to scheme administrators by HM Revenue & Customs.
 - 2. Components may not sum to their total due to rounding.
- "-" denotes nil or negligible or not applicable.

Notes on the Table

- i. The table above shows the contributions made to Personal Pensions, by type of scheme. They are derived from annual statistical returns submitted to HMRC by pension providers. Due to late returns by providers the tables may underestimate both the numbers and contributions made during the year.
- ii. The number of members relates to members of each reporting provider and should not be taken as numbers of individuals, since individuals can have more than one pension provider.
- iii. Employer sponsored schemes include contracts for schemes nominated by employers or set up under a trust by an employer.
- iv. Non-Employer sponsored schemes are contracts set-up by a financial institution and offered for sale to the public, and include schemes arranged via Trade Unions or other bodies.
- v. Minimum contributions represent the rebate paid by HMRC to individuals' funds who have used their personal pension to contract out of the state second pension (state earnings related pension scheme prior to April 2002). The Government ended contracting out of the additional State Pension on a defined contribution basis from 6 April 2012 hence the zero figure for minimum contributions. Contracting out for defined benefit schemes was abolished from April 2016.
- vi. All statistical tables PEN1 – PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication – reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

PEN3

Personal pensions¹

Estimated number of individuals making or receiving contributions and average contribution by status² (2007-08 to 2016-17)



Numbers: Thousands Amounts: £s

Status	2007-08		2008-09		2009-10		2010-11		2011-12	
	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}
Employees	6,530	2,520	5,510	2,980	5,310	3,010	4,980	3,260	4,750	3,640
Self-Employed	990	3,570	800	3,270	660	3,030	620	3,330	500	4,250
Unemployed	60	2,240	30	3,070	20	2,480	30	2,770	20	3,390
In receipt of a Pension	20	4,230	10	4,410	10	3,790	10	3,840	10	4,470
Child	10	2,480	10	2,330	10	2,310	10	2,380	10	2,460
Full-time Education	10	2,120	10	2,060	10	1,980	10	2,160	10	2,350
Carer	10	2,110	10	1,920	10	1,980	10	2,350	10	2,410
Total⁵	7,630	2,660	6,390	3,010	6,040	3,010	5,680	3,260	5,310	3,690

Status	2012-13 [†]		2013-14 [†]		2014-15 [†]		2015-16 [†]		2016-17 [†]	
	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}	Number of Individuals	Average Annual Contribution per Individual ^{3,4}
Employees	6,320	2,810	6,720	2,780	6,920	2,980	7,650	3,230	8,000	3,110
Self-Employed	640	3,160	510	3,630	440	4,460	390	5,750	390	4,930
Unemployed	30	2,750	30	3,140	30	3,700	30	4,120	30	4,070
In receipt of a Pension	10	4,160	10	4,710	20	4,360	20	5,050	20	4,700
Child	20	1,790	20	2,110	20	2,310	10	2,560	10	2,290
Full-time Education	10	1,910	10	2,200	10	2,470	10	2,770	10	2,830
Carer	20	2,090	20	2,340	20	2,830	20	3,020	20	3,110
Total⁵	7,050	2,840	7,310	2,830	7,440	3,070	8,130	3,360	8,480	3,200

Published: September 2018

Footnotes

- r. Revised
- p. Provisional

1. The tables refer to the number of individuals whose personal pension (including stakeholder pension) has received a contribution during the year. Years 2001-02 to 2005-06 can now be found on the National Archives website.
2. Employment status is based on what is reported to the provider by an individual when making their original application.
3. Average contributions include individual, employer and government minimum contributions, plus any basic rate tax relief that a pension provider has been able to claim on an individual's contribution.
4. Contributions are based on what has actually been contributed in the year, so the overall average will not be the typical annual average for those who have started making regular contributions part of the way through the year.
5. Components may not sum to their total due to rounding.

Notes on the table

- i. The table shows the number of individuals contributing to a personal pension by employment status. It also shows the average annual contribution per individual. The data is derived from annual personal pension information submitted to HM Revenue & Customs by pension providers in respect of each individual scheme member.
- ii. The data is collected primarily for compliance purposes and contains details of contributions made by, or on behalf of, individuals. Providers have only been required to report in the detail published since 2001-02. Prior to 6 April 2001, the self-employed claimed any relief due on their contributions through Self Assessment and providers did not have to report details of these individuals. Therefore analyses on a comparable basis are not available for years prior to 2001-02.
- iii. As well as containing individual details, such as name and date of birth, the data also contains their National Insurance number. Using this it is possible to aggregate across those who have arrangements with one or more providers. Therefore, unlike tables PEN2, 2.1 & 2.2 which are based on aggregate returns from providers and can only record numbers of contributors, these results are presented in terms of numbers of individuals. Providers report the status of the individual scheme members in the following categories:
 - Employee
 - In receipt of a pension
 - Self-employed
 - Child
 - Carer of either a child aged less than 16 or a person aged 16 or over
 - in full-time education
 - Unemployed
 - Other
- iv. The table relates to the number of individuals who have a recorded contribution in the year - either individual, employer or government minimum. Whilst in theory the data should give us details of all individuals, in practice due to incorrect or missing data less than 100% of records are available for analysis. Simple grossing has been used to remedy this shortfall.
- v. All statistical tables PEN1 - PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication - reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

PEN4

Personal pensions¹
 Estimated number of individuals making or receiving contributions
 by gender and age (2007-08 to 2016-17)



Numbers: Thousands

Gender and age	2007-08	2008-09	2009-10	2010-11	2011-12
Female					
15 and under ²	10	10	-	-	-
16-24	80	80	70	70	70
25-34	460	430	410	380	370
35-44	950	760	740	670	610
45-54	700	610	610	610	590
55-64	360	310	300	300	280
65 and over	20	20	20	20	20
Total³	2,580	2,210	2,150	2,060	1,940
Male					
15 and under ²	10	10	-	-	10
16-24	180	140	110	100	100
25-34	740	620	570	510	470
35-44	1,810	1,390	1,290	1,140	1,020
45-54	1,410	1,220	1,190	1,150	1,100
55-64	830	720	670	650	610
65 and over	60	60	60	70	70
Total³	5,050	4,170	3,890	3,620	3,370
Total³	7,630	6,390	6,040	5,680	5,310
Gender and age	2012-13	2013-14	2014-15	2015-16	2016-17 ^p
Female					
15 and under ²	-	-	10	10	10
16-24	110	250	340	510	630
25-34	480	700	750	840	870
35-44	790	740	730	790	810
45-54	840	760	720	790	800
55-64	400	350	300	300	280
65 and over	30	20	20	20	20
Total³	2,650	2,830	2,870	3,250	3,410
Male					
15 and under ²	-	10	10	10	20
16-24	140	310	430	620	760
25-34	600	910	1,010	1,130	1,200
35-44	1,250	1,190	1,200	1,240	1,270
45-54	1,500	1,290	1,250	1,260	1,270
55-64	810	710	630	580	530
65 and over	90	50	40	30	30
Total³	4,400	4,480	4,560	4,880	5,070
Total³	7,050	7,310	7,440	8,130	8,480

Published: September 2018

Footnotes

r. Revised

p. Provisional

1. The tables refer to the number of individuals whose personal pension (including stakeholder pension) has received a contribution during the year, either from themselves, an employer, or a government minimum contribution. Years 2001-02 to 2005-06 can now be found on the National Archives website.

2. A "-" denotes fewer than 5 (thousand).

3. Components may not sum to their total due to rounding.

Notes on the Table

i. The table shows individuals contributing to a Personal pension by gender and age. The data is derived from annual personal pension information submitted to HM Revenue & Customs by pension providers in respect of each individual scheme member.

ii. The data is collected primarily for compliance purposes and contains details of contributions made by, or on behalf of, individuals. Providers have only been required to report in the detail published since 2001-02. Prior to 6 April 2001, the self-employed claimed any relief due on their contributions through Self Assessment and providers did not have to report details of these individuals. Therefore analyses on a comparable basis are not available for years prior to 2001-02.

iii. As well as containing individual details, such as name and date of birth, the data also contains their National Insurance number. Using this it is possible to aggregate across those who have arrangements with one or more providers. Therefore, unlike tables PEN2, 2.1 & 2.2 which are based on aggregate returns from providers and can only record numbers of contributors, these results are presented in terms of numbers of individuals.

iv. The table relates to the number of individuals who have a recorded contribution in the year - either individual, employer or minimum. Whilst in theory the data should give us details of all individuals, in practice due to incorrect or missing data less than 100% of records are available for analysis. Simple grossing has been used to remedy this shortfall.

v. All statistical tables PEN1 – PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication – reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

PEN5

Personal pensions¹
 Estimate number of individuals making or receiving contributions
 by country and region (2007-08 to 2016-17)



Numbers: Thousands

Country / Government Office Region	2007-08	2008-09	2009-10	2010-11	2011-12
England					
North East	270	210	190	180	170
North West	770	610	590	550	510
Yorkshire and the Humber	640	470	450	430	390
East Midlands	570	460	430	410	380
West Midlands	690	530	490	460	430
East of England	750	650	610	580	540
London	800	740	730	680	660
South East	1,190	1,040	990	940	890
South West	680	580	540	520	480
Total²	6,370	5,300	5,040	4,760	4,450
Wales	300	240	230	220	200
Scotland	650	610	560	520	480
Northern Ireland	150	120	120	110	100
Address aboard³	-	-	-	-	-
Unknown	160	120	90	70	70
United Kingdom²	7,630	6,390	6,040	5,680	5,310

Country / Government Office Region	2012-13	2013-14	2014-15	2015-16	2016-17 ^p
England					
North East	220	240	240	260	270
North West	690	710	720	790	820
Yorkshire and the Humber	520	540	550	590	610
East Midlands	510	530	540	590	610
West Midlands	580	620	630	690	720
East of England	730	760	760	840	880
London	890	1,010	1,050	1,190	1,270
South East	1,180	1,180	1,170	1,280	1,340
South West	640	640	650	710	730
Total²	5,970	6,230	6,330	6,930	7,250
Wales	270	270	280	300	320
Scotland	600	630	660	680	710
Northern Ireland	130	140	140	160	170
Address aboard³	-	-	-	-	-
Unknown	90	30	30	60	50
United Kingdom²	7,050	540	7,440	8,130	8,480

Footnotes

r. Revised

p. Provisional

1. The tables refer to the number of individuals whose personal pension (including stakeholder pension) has received a contribution during the year, either from themselves, an employer, or a government minimum contribution. Years 2001-02 to 2005-06 can now be found on the National Archives website.

2. A "-" denotes nil or negligible.

3. Components may not sum to their total due to rounding.

Notes on the table

i. The table shows individuals contributing to a personal pension by country and government office region. The data is derived from annual personal pension information submitted to HM Revenue & Customs by pension providers in respect of each individual scheme member.

ii. The data is collected primarily for compliance purposes and contains details of contributions made by, or on behalf of individuals. Providers have only been required to report in the detail published since 2001-02. Prior to 6 April 2001, the self-employed claimed any relief due on their contributions through Self Assessment and providers did not have to report details of these individuals. Therefore analyses on a comparable basis are not available for years prior to 2001-02.

iii. As well as containing individual details, such as name and date of birth, the data also contains their National Insurance number. Using this it is possible to aggregate across those who have arrangements with one or more providers. Therefore, unlike tables PEN2, 2.1 & 2.2 which are based on aggregate returns from providers and can only record numbers of contributors, these results are presented in terms of numbers of individuals.

iv. Individuals are allocated to regions according to their postcode, which is used to determine the appropriate country and region. A small number of people with overseas addresses have not been allocated to a region but have been included in the UK figures. Investigations indicate that the vast majority of these are armed forces, or other Crown employees, and their families serving overseas. There are also a small number of people where it was not possible to identify their postcode, these are marked as unknown and have also been included in the UK figures.

v. The table relates to the number of individuals who have a recorded contribution in the year - either individual, employer or minimum. Whilst in theory the data should give us details of all individuals, in practice due to incorrect or missing data less than 100% of records are available for analysis. Simple grossing has been used to remedy this shortfall.

vi. All statistical tables PEN1 – PEN5 containing information on personal pensions no longer contains any information relating to master trusts. Data for master trusts has been removed from all tables for this year's publication – reflecting the fact that master trusts are in fact occupational pension schemes, even though HMRC receives information on these schemes from administrative relief at source pension data.

PEN 6 Cost of Pension Tax and NICs Relief



	£ million					
	2012-13 ^r	2013-14 ^r	2014-15 ^r	2015-16 ^r	2016-17 ^r	2017-18 ^p
Income tax relief on:-						
Occupational Scheme Contributions						
By Employees	3,900	4,000	4,100	4,100	4,100	4,300
By Employers	18,300	17,100	16,900	19,600	18,400	19,000
Personal Pension Scheme Contributions						
By Employees	1,700	1,800	1,700	1,700	1,700	1,800
By Employers	3,600	4,300	4,800	5,600	6,000	6,100
Contribution to pensions by self employed	800	700	600	700	700	700
Investment income of pension funds ¹	5,800	5,900	6,100	6,800	6,500	6,700
Pension tax relief	33,900	33,700	34,200	38,600	37,300	38,400
Less income tax liable on						
Payments from pension schemes ²	14,400	15,500	16,100	17,700	17,900	18,400
Pension tax relief (net of tax received on pension income)³	19,500	18,100	18,000	20,900	19,400	20,000
National Insurance Contributions (NICs) relief for employer pension contributions⁴ :-						
Employee NICs relief on employer pension contributions	4,300	4,200	4,300	4,800	4,800	5,200
Employer NICs relief on employer pension contributions	9,500	9,200	9,500	11,000	10,600	11,100
Pension NICs relief	13,800	13,400	13,800	15,800	15,500	16,300
Pension tax and NICs relief (net of tax received on pension income)⁵	33,300	31,600	31,800	36,700	34,900	36,300

p = mixture of provisional outturns and projections; r = revised

Updated April 2019

Footnotes

1. The cost is in respect of the investment income of both occupational and personal pensions schemes assuming relief at the basic rate of tax. Estimates of relief for capital gains realised by pension funds are not included because of estimation difficulties.

2. Based on administrative data HMRC holds on taxable pension payments. Reflects tax paid on pension payments made that year, not the tax that might eventually be received on future pension payments made out of contributions made in the year. Future tax receipts on pensions paid to individuals currently making contributions to funds may be higher than those currently receiving pensions because of earnings growth and an increase in the average number of working years of membership in pension schemes. Also the ratio of pensioners to contributors may be expected to increase significantly which would tend to reduce the cost in net present value terms.

3. Net pension tax relief reflects the net cost of tax relief on pension contributions and any investment growth within pensions, less the tax paid on payments from pension schemes to those accessing their pensions that year.

4. This is a combination of National Insurance relief for employers on the pension contributions they make as well as the saving for individuals from the employers contributions not being treated as part of their gross income and subject to employee National Insurance contributions (in accordance with how individuals' own pension contributions are treated). NICs relief is not provided to individual contributions (employees/self-employed) to pension schemes. NICs are not paid on any payments from pension schemes.

5. Net pension tax and NICs relief reflects the overall net cost of pensions, and is the sum of the line for net pension tax relief and the line for total pension NICs relief.

Notes on the Table

i. The figures are based on HMRC administrative data and information compiled from a variety of sources by the Office for National Statistics (ONS). Costs are subject to large revisions and have a particularly wide margin of error.

ii. The cost of the tax relief is calculated as the tax that would be paid on contributions to registered pension schemes presuming they were not registered and the payments were subject to the normal tax rules applying to individuals' remuneration. The estimates do not represent the yield from withdrawing tax relief as there would be significant changes in taxpayers' behaviour.

iv. Figures for tax liabilities on pensions in payment are now calculated using administrative taxpayer data on RTI payments made by pension schemes. As such there are substantial revisions to these figures to reflect a more accurate estimate of the amount of taxable pension income received each year.

v. Personal Pensions include Group Personal Pensions (arranged through an employer) and Stakeholder pensions; and Free Standing Additional Voluntary Contributions up to and including 2006-07. A small number of non-working individuals (e.g. children) make contributions to personal pensions and the value of these contributions are included within in the employee contribution category.

vi. The column totals may not equal the calculation from the individual components due to rounding.

vii. Some of the series in this table have seen revisions since publication last year. This is a combination of revisions to the base data provided by ONS and changes to estimates derived from the HMRC Personal Taxes Model.

PEN7 Pensions Annual Allowance Statistics

Official Statistics

Year	Annual Allowance (4)	Accounting for Tax Return		Self Assessment Return	
		Number of Annual Allowance charges paid by the scheme through the Accounting for Tax return (1,3)	Total value of Annual Allowance charges paid by the scheme through the Accounting for Tax return (2,3)	Number of individuals reporting pension contributions exceeding their Annual Allowance through Self Assessment (1,3)	Total value of pension contributions exceeding the Annual Allowance reported through Self Assessment (2,3)
2006-07	£215,000	-	-	140	£2 m
2007-08	£225,000	-	-	230	£3 m
2008-09	£235,000	-	-	190	£8 m
2009-10	£245,000	-	-	170	£5 m
2010-11	£255,000	-	-	140	£6 m
2011-12	£50,000	1,920	£40 m	5,570	£148 m
2012-13	£50,000	1,290	£28 m	3,850	£95 m
2013-14	£50,000	2,540	£55 m	5,840	£178 m
2014-15	£40,000	2,890	£56 m	7,260	£183 m
2015-16	£40,000	1,720	£36 m	5,430	£143 m
2016-17	£40,000	2,340	£44 m	16,590	£517 m

September 2018

Notes to the table

i) Scheme Pays was introduced in 2011-12. Information from the Accounting for Tax Return is therefore only included from this year onwards. The Accounting for Tax return does not include the value of pension contributions in excess of the Annual Allowance. Schemes are only required to report Annual Allowance tax charges paid to HMRC.

ii) Reported Annual Allowance charges paid by the scheme via the Accounting for Tax Return are likely to relate to pension contributions from the two tax years prior, as the charge must first be reported via Self Assessment in the January following the end of the tax year before the scheme can be notified of a payment to be taken from the scheme.

iii) The Self Assessment return does not include the value of tax charges resulting from pension saving in excess of the Annual Allowance. Estimates are not available for the value of tax charges resulting from pension saving in excess of the Annual Allowance reported on the Self Assessment return, as these are combined with all other income on the Self Assessment return, to calculate the tax liability.

Footnotes

1. Numbers are rounded to the nearest 10.
2. Amounts are rounded to the nearest £1 million.
3. All figures for all years are subject to revision over time as in some cases pension providers can claim back tax paid.
5. The Annual Allowance listed from 2016-17 is before the effect of the AA tapered allowance for high earners, which could result in a lower Annual Allowance capped at £10,000.

PEN8 Pensions lifetime allowance breaches and payments

Official Statistics

Year	Lifetime Allowance	Accounting for Tax Return					
		Number of Lump Sum Lifetime Allowance charges paid by the scheme through the Accounting for Tax return (55%) (1,4,5)	Total value of Lump Sum Lifetime Allowance charges paid by the scheme through the Accounting for Tax return (55%) (2,4,5)	Number of Non Lump Sum Lifetime Allowance charges paid by the scheme through the Accounting for Tax return (25%) (1,4,5)	Total value of Non Lump Sum Lifetime Allowance charges paid by the scheme through the Accounting for Tax return (25%) (2,4,5)	Number of all Lifetime Allowance charges paid by the scheme through the Accounting for Tax return (1,3,4)	Total value of all Lifetime Allowance charges paid by the scheme through the Accounting for Tax return (2,3,4)
2006-07	£ 1,500,000	50	£3 m	160	£1 m	210	£5 m
2007-08	£ 1,600,000	50	£1 m	160	£2 m	210	£3 m
2008-09	£ 1,650,000	100	£4 m	160	£3 m	260	£7 m
2009-10	£ 1,750,000	140	£8 m	140	£5 m	290	£13 m
2010-11	£ 1,800,000	160	£7 m	140	£5 m	300	£12 m
2011-12	£ 1,800,000	170	£11 m	190	£7 m	360	£18 m
2012-13	£ 1,500,000	220	£12 m	220	£8 m	440	£20 m
2013-14	£ 1,500,000	410	£25 m	520	£20 m	930	£45 m
2014-15	£ 1,250,000	360	£18 m	660	£26 m	1,020	£44 m
2015-16	£ 1,250,000	340	£26 m	840	£40 m	1,180	£66 m
2016-17	£ 1,000,000	490	£35 m	1,620	£67 m	2,120	£102 m

September 2018

Notes to the table

i) The Accounting for Tax return does not include the value of crystallised pension benefits in excess of the Lifetime Allowance. Schemes are only required to report the Lifetime Allowance tax charge paid to HMRC.

ii) Self Assessment data for crystallised pension benefits in excess of the Lifetime Allowance, and reported tax paid by the scheme on these breaches, is considered incomplete and is therefore not published.

Footnotes

1. Numbers are rounded to the nearest 10.
2. Amounts are rounded to the nearest £1 million.
3. Separate figures for lump sum and non lump sum may not sum to total figures due to rounding.
4. All figures for all years are subject to revision over time as in some cases pension providers can claim back tax paid.
5. Percentages relate to the tax rate charged on lump sum Lifetime Allowance breaches, and non lump sum Lifetime Allowance breaches, respectively.

Section 5: Data and methodology

Data sources

The published Pension tables draw on information from the following returns that pension providers are required to make:

- [APSS107](#) Registered Pension Schemes Annual statistical return, this paper claim form provides numbers of members and total contributions by employer and non-employer sponsored schemes for each registered pension provider.
- [RPSCOM100\(Z\)](#) This provides HMRC with details of approximately 15 million personal pension accounts in electronic format providing details on individual and employer contributions made in the tax year. Personal details of each account holder are also provided covering around 6 million individuals.
- [SA101](#) This form is a supplementary page to the main SA100 Self-Assessment Tax return. This provides HMRC with details of individuals exceeding their Annual Allowance.
- [Accounting for Tax Return](#) This form is used by scheme administrators of registered pension schemes to report and pay tax charges relating to the Annual Allowance and Lifetime Allowance.

Method of preparing tables

Table PEN1

Figures for this table use the information produced in Table PEN2 (see below). The RACs (Retirement Annuity Contracts) figures are derived from HMRC's Survey of Personal Incomes. Figures for the latest year are projections.

Table PEN2 (PEN2.1 & PEN2.2)

PEN2 is the sum of PEN2.1 and PEN2.2. Figures for these tables are simple totals from the relevant forms (APSS107 or RPSCOM100(Z)). One reason for moving the publication schedule of these tables from bi-annual to annual is to allow additional time for all forms to be returned for both data sources, allowing for cross referencing returns from both forms to ensure completeness of data.

Master trust schemes which use the relief at source method, along with any other occupational pension schemes which use the relief at source method, are now removed from the administrative returns for statistical purposes – as these statistics cover personal pensions only.

Individuals can hold and contribute to more than one personal pension account with more than one provider and the information in Table PEN2 relates to the numbers of accounts subscribed to and not the numbers of separate individuals subscribing to accounts (which will be fewer).

Employer sponsored schemes include contracts for schemes nominated by employers or set up under a trust by an employer. Non-Employer sponsored schemes are contracts set-up by a financial institution and offered for sale to the public, and include schemes arranged via Trade Unions or other bodies.

Tables PEN3, PEN4 & PEN5

Figures for this table come from the distributional data provided on the paper and electronic forms RPSCOM100(Z) and the overall totals are scaled up to match the figures as published in Table PEN2.

The data is collected primarily for compliance purposes and contains details of contributions made by, or on behalf of, individuals. Providers have only been required to report in the detail published since 2001-02. Prior to 6 April 2001, the self-employed claimed any relief due on their contributions through Self Assessment and providers did not have to report details of these individuals. Therefore analyses on a comparable basis are not available for years prior to 2001-02.

As well as containing individual details, such as name and date of birth, the data also contains their National Insurance number and using this it possible to aggregate across those who have arrangements with one or more providers. Therefore, unlike table PEN2 which is based on aggregate returns from providers and therefore are at arrangement level, we are able to present these results at an individual level. In addition the providers have to report the employment status of the individual.

These tables relates to the number of individuals who have a recorded contribution in the year - either individual, employer or minimum. Whilst in theory the data should give us details of all individuals, in practice due to incorrect or missing data less than 100 per cent of records are available for analysis. The estimates have therefore been grossed up so that they are in line with control totals.

Table PEN6

The income taxation of pensions saving in UK registered pensions schemes generally follows an exempt, exempt, taxed structure (EET). Tax relief is available on employee and employer contributions to a registered pension scheme (E), and on investment growth within that scheme (E). Pensions in payment are taxed as income (T). In theory, this means that pensions are tax-deferred rather than tax-exempt; and the availability of relief in the accumulation phase ensures that individuals are not taxed twice on the same income.

This publication compares the pension's tax regime for registered pension schemes (generally EET) with the tax regime we have for most other forms of saving (TTE). The cost of income tax relief on contributions is calculated as:

1. Tax relief on employees' contributions to occupational schemes, including self administered schemes, Insurance company administered schemes, notionally funded and unfunded schemes;
2. Plus tax relief on employers' contributions to occupational schemes, including self administered schemes, Insurance company administered schemes, notionally funded and unfunded schemes.;
3. Plus tax relief on individuals contribution to personal pension schemes;
4. Plus tax relief on employers' contributions to personal pension schemes;
5. Plus tax relief on self employed contribution to personal pension schemes;
6. Plus tax relief on pension funds investment returns of income;
7. Less tax on pension payments observed through administrative RTI data.

The estimates are mainly based on:

- Estimates of contributions to occupational schemes, from the pensions information in the ONS' Annual Survey of Hours and Earnings;
- Estimates of contributions to personal pensions taken from data provided to HMRC by personal pension providers.
- Estimates of pension scheme's investment income, supplied by the ONS; and
- Administrative data held on RTI payments made by pension schemes to those in receipt of a pension.

Table PEN7

This was a new table for the September 2018 release. It provides details from both the Self-Assessment return, and the Accounting for Tax Return, on individuals exceeding their Annual Allowance and tax charges paid. From the Self-Assessment Return, we provide the number of individuals reporting pension savings in excess of their Annual Allowance, and the total value this excess saving. From the Accounting for Tax Return, we provide the number of memberships which had their scheme pay an Annual Allowance tax charge on their behalf, and the total value of these payments. Payments by the scheme will likely relate to excess pension savings reported via Self-Assessment for the tax year two years prior.

Table PEN8

This was a new table for the September 2018 release. It provides details from the Accounting for Tax Return on Lifetime Allowance tax charges paid by the scheme on behalf of each of their members who exceed their Lifetime Allowance. We extract from the Accounting for Tax Return the number of members which had their scheme pay a Lifetime Allowance tax charge on their behalf, and the total value of these payments. We also break this down by non-lump sum tax charges and lump sum tax charges, separately, as these are charged at different tax rates.