



advice and support for older age

**Independent  
Age**

## Factsheet

# The State Pension

This factsheet explains what the State Pension is, who is eligible for it, and how much you can expect to get. Big changes to the State Pension were introduced in April 2016, so make sure you know if and how these affect you.

Call FREE on **0800 319 6789** Visit **[www.independentage.org](http://www.independentage.org)**

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## **About Independent Age**

Whatever happens as we get older, we all want to remain independent and live life on our own terms. That's why, as well as offering regular friendly contact and a strong campaigning voice, Independent Age can provide you and your family with clear, free and impartial advice on the issues that matter: care and support, money and benefits, health and mobility.

A charity founded over 150 years ago, we're independent so you can be.

The information in this factsheet applies to England only.

If you're in Wales, contact Age Cymru (0800 022 3444, [agecymru.org.uk](http://agecymru.org.uk)) for information and advice.

In Scotland, contact Age Scotland (0800 12 44 222, [agescotland.org.uk](http://agescotland.org.uk)).

In Northern Ireland, contact Age NI (0808 808 7575, [ageni.org](http://ageni.org)).

In this factsheet, you'll find reference to our other publications. You can order them by calling 0800 319 6789, or by visiting [independentage.org/information](http://independentage.org/information)

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# 1. What is the State Pension?

The State Pension is a regular payment made by the government to people who have reached State Pension age. How much you get depends on your National Insurance contributions (see chapter 5). Most people will get at least some State Pension.

Many people will have workplace pensions or personal pensions in addition to the State Pension, but the State Pension is a valuable foundation for your retirement income. Make sure you claim it – you usually won't get it automatically.

Changes to the State Pension were introduced on 6 April 2016, so there are now two different systems in place. Which one you claim under depends when you reach State Pension age. If you reached State Pension age or were already claiming the State Pension before 6 April 2016, you'll continue to receive it under the old system.

## **State Pension age**

You can only receive the State Pension once you reach State Pension age. This is gradually increasing: it's currently 65 for men and is

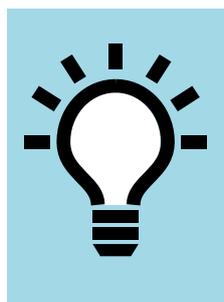
steadily rising from 60 to 65 for women. For transgender people, the State Pension age is that of their acquired gender if they have a Gender Recognition Certificate or that of their birth gender if they don't.

From 6 December 2018, the State Pension age for all genders will rise from 65 to reach 66 by October 2020. Further increases are also planned after this. You can check your State Pension age at [gov.uk/state-pension-age](https://gov.uk/state-pension-age) or by contacting the Future Pension Centre on [0800 731 0175](tel:08007310175).

## **Early retirement and your State Pension**

If you retire before your State Pension age, you'll still have to wait until you reach State Pension age to receive your State Pension, but you can make the claim four months in advance.

### **Good to know**



You don't have to stop working when you reach State Pension age – you can keep on working and still receive your State Pension. You stop paying National Insurance contributions once you reach State Pension age.

Pensions are taxable, so if your annual income is higher than the personal allowance (£11,850 in the 2018/19 tax year), you'll pay income tax on your State Pension. The State Pension is paid without tax deducted and any tax due is collected from your other sources of income.

## **2. The new State Pension (from 6 April 2016)**

This section is for people who reach State Pension age on or after 6 April 2016. If you reached State Pension age before this date, go to chapter 3.

### **i. What is the new State Pension?**

The new system is designed to be simpler, replacing basic and additional pensions with one new pension system. The Additional State Pension has been abolished and anyone with at least 35 years of National Insurance contributions will now get the same rate, unless they were ever contracted out of the Additional State Pension (see section v of this chapter). The full rate for the 2018/19 tax year is £164.35 a week.

During the transition from the old to the new system, some people may get more than this if they've already built up some State Pension under the old system. Eventually, it won't be possible to get more than the full rate.

## **ii. Who does it apply to?**

The new system was introduced on 6 April 2016. If you reach State Pension age on or after that date, you'll be claiming under this system. If you reached State Pension age before that, even if you haven't yet claimed your pension, you'll be claiming under the old system – see chapter 3.

This means that you'll only get the new State Pension if:

- you're a woman born on or after 6 April 1953
- you're a man born on or after 6 April 1951.

Please note that the Isle of Man hasn't introduced the new State Pension and is continuing with the old system. For more information, see [gov.im/categories/benefits-and-financial-support](http://gov.im/categories/benefits-and-financial-support).

## **iii. What is the full new State Pension worth and how much will I get?**

The amount of State Pension you're entitled to depends on your National Insurance (NI) contributions. You might build these up by:

- paying NI while employed and earning at least £162 a week (2018/19 rate) from one employer. If your earnings are between £116 and £162 a week from one employer, you'll still build an NI record although you won't have paid NI contributions.
- paying NI while self-employed
- making voluntary NI contributions
- receiving NI credits, for example while unable to work if you were unemployed, claiming Child Benefit for a child under 16 in the tax years from 1978–79 up to 2009–10, or receiving Carer's Allowance or Carer's Credits. If you're a grandparent caring for a child under 12 from April 2011, you may also be able to receive NI credits.

## **What will I get?**

For the 2018–19 tax year, the full new State Pension rate is £164.35 a week.

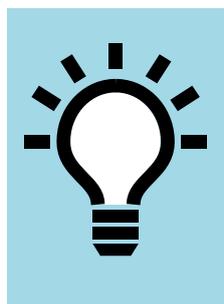
You may not get the full rate; the exact amount you'll get depends on your National Insurance (NI) record.

- If you've got 35 or more qualifying years of NI contributions or credits, you'll get a full new State Pension of £164.35 a week, unless you were contracted out of the Additional State Pension at some point (see section v of this chapter). The qualifying years don't have to be consecutive. Once you have reached the full new State Pension amount, you'll still have to pay NI contributions until you reach State Pension age if you're still working, but your Pension won't increase. 'Protected payments' are an exception to this – see page 9.
- If you've got between 10 and 35 qualifying years of NI contributions, you'll get some new State Pension. For example, if you have 20 qualifying years, you'll get 20/35ths of the full rate (unless you were contracted out at some point). (Example £164.35 divided by 35 x 20 = £93.91 a week)
- If you've got under 10 qualifying years of NI contributions, you usually won't get anything at all. There may be exceptions to this for people who paid married women's and widows' reduced rate NI contributions under the Reduced Rate Election system (Married Woman's Stamp) – see chapter 6.

You generally won't be able to claim on your spouse or civil partner's NI contributions – eligibility is based on your own NI record. There are some exceptions to this – see chapter 6 for more information.

If you were 'contracted out' of the Additional State Pension during your working life (eg if you paid into certain workplace pensions instead) the amount you get under the new State Pension will be reduced (see page 10).

### **Good to know**



If you're eligible for less than the full basic State Pension rate, you may be able to increase it by paying voluntary NI contributions (see chapter 5 for more information on eligibility for this).

### **What is a qualifying year?**

- If you're employed, this is a tax year where you earned at least the lower earnings limit from one job (£6,032 in 2018–19).
- If you're self-employed, this is a tax year where you paid NI contributions if you earned

at least £6,205 (2018–19 rate). You might have paid them voluntarily if you earned less than that.

- If you've paid enough voluntary NI contributions or been awarded enough NI credits in a tax year, that is a qualifying year.

#### **iv. The starting amount for the new State Pension**

If you're approaching retirement, you'll probably already have made some NI contributions before the new system was introduced. Any NI contributions you made or were credited with up to 5 April 2016 will be converted into a 'starting amount'. This will be the higher of:

- the amount you would have got under the old State Pension (basic and Additional – see chapter 3)
- the amount you'd have got if the new State Pension had been in place at the start of your working life.

The Additional State Pension – extra money added to your State Pension, based on your earnings – no longer exists under the new State Pension. However, the calculation of the starting

amount makes sure that you will still receive any Additional State Pension you built up under the old system, so you won't lose out under the new system.

There'll be a deduction from your starting amount if you were ever contracted out of the Additional State Pension – see page 10.

If your starting amount is lower than the full rate new State Pension, you'll be able to increase your entitlement by adding more qualifying years of NI contributions. You can do this until you reach State Pension age. Once you have reached the full amount – currently £164.35 a week (2018/19 tax year rate) – you will still have to pay NI contributions while working until you reach State Pension age, but you can't increase your new State Pension any further.

## **Protected payments**

If your starting amount is higher than the full rate new State Pension, the difference will be a 'protected payment'. This means you'll still be paid it on top of your full new State Pension. Protected payments will increase in line with inflation.

## **Example**

Jasmeet reaches State Pension age on 6 July 2018. Jasmeet's NI record up to 5th April 2016 gives her a new State Pension starting amount of £174.30 a week. As her starting amount is more than the full new State Pension of £164.35 a week (for 2018–19), the difference between these figures (£9.95) is a protected payment.

This means Jasmeet's new State Pension will be £164.35 plus her protected payment of £9.95 a week. Jasmeet will therefore receive £174.60 a week new State Pension, and each year her protected payment will increase in line with inflation.

## **v. Contracting out**

If you were ever 'contracted out' of the Additional State Pension, you'll have paid lower NI contributions, so a deduction will be made from your starting amount for the new State Pension. This deduction is called the Contracted Out Pension Equivalent (COPE). You may have been contracted out if you were paying into certain workplace, personal and stakeholder pension schemes. Most people will have been contracted out at some point during their

working life. It's very likely you will have been if you worked in the public sector.

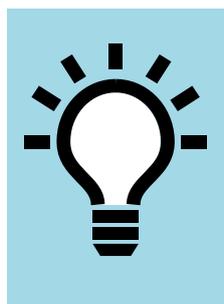
While contracted out, you would have paid lower NI contributions or some of your NI contributions would have been paid into your private pension instead of building up an Additional State Pension. This means you received extra money into your workplace or personal scheme, but gave up some State Pension in return. In most cases, this should mean you'll get an extra amount from your workplace or personal pension, to reflect the amount deducted from your State Pension.

You can find out if you were contracted out by checking old payslips. If the NI contributions line has an N or a D next to it, you were contracted out; if it has an A next to it, you weren't. If you're unsure, check with your employer or pension provider. The Pension Tracing Service can help you find contact details for your workplace or personal pension schemes ([0800 731 0193](tel:08007310193), [gov.uk/find-pension-contact-details](https://gov.uk/find-pension-contact-details)).

To find out more about contracting out, read the government's guidance ([gov.uk/government/publications/state-pension-fact-sheets/contracting-out-and-why-we-may](https://gov.uk/government/publications/state-pension-fact-sheets/contracting-out-and-why-we-may)

[have-included-a-contracted-out-pension-equivalent-cope-amount-when-you-used-the-online-service](#)).

## **Good to know**



Contracting out was abolished on 6 April 2016, so if you've been contracted out up to 5 April 2016, you'll now be paying higher NI (the standard rate).

## **vi. Annual increases**

Currently, the new State Pension rate increases every year by the highest of:

- earnings growth in Great Britain
- Consumer Prices Index growth
- 2.5%.

If you have a protected payment in your new State Pension, it increases every year in line with the Consumer Prices Index growth.

## 3. The State Pension before 6 April 2016

This section is for people who reached State Pension age up to 5 April 2016. If you reach State Pension age on or after 6 April 2016, go to chapter 2.

### i. Basic State Pension

This is the State Pension for people who reached State Pension age before 6 April 2016. You'll be claiming under this system if:

- you're a woman born before 6 April 1953
- you're a man born before 6 April 1951.

How much you get depends on your National Insurance (NI) contributions record and when you reached State Pension age.

- **If you reached State Pension age on or after 6 April 2010 but before 6 April 2016** you need at least 30 qualifying years to get the full basic State Pension (£125.95 in 2018–19). If you have fewer years than this, you'll get a proportion of this amount. You'll need a

minimum of one qualifying year to get a proportion of State Pension.

- **If you reached State Pension age before 6 April 2010** you need 39 qualifying years if you're a woman and 44 qualifying years if you're a man to get the full basic State Pension (£125.95 in 2018–19). If you have fewer years than this, you'll get a proportion of that amount, providing you have at least 10 qualifying years for a woman or 11 qualifying years for a man.

You may also be able to increase the amount you get by using the NI contribution record of your spouse or civil partner (or late spouse or late civil partner) or by making voluntary NI contributions (see chapters 5 and 6).

## **ii. Additional State Pension**

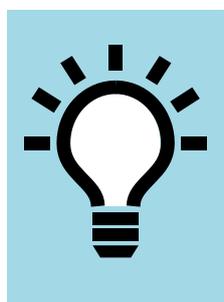
The Additional State Pension (including the State Second Pension (S2P) and the State Earnings-Related Pension Scheme (SERPS)) is an earnings-based addition to your basic State Pension. There's no fixed amount – what you get is based on your earnings, NI record and certain benefits you might have claimed which gave you NI credits. You may have contributed to it if:

- you were employed and earning above the lower earnings limit
- you were unable to work and receiving certain benefits between April 2002 and 5th April 2016
- you reached State Pension age before 6 April 2016 and chose to top up your pension. This was only possible between 12 October 2015 and 5 April 2017.

The Additional State Pension was not available to self-employed people, so if you were self-employed you'll only have built up a basic State Pension prior to April 2016.

If you're eligible, you'll automatically get the Additional State Pension when you claim your basic State Pension. It can be paid on its own if you're not entitled to any basic State Pension.

### **Good to know**



The Additional State Pension was abolished on 6 April 2016. However, you'll still receive any entitlement to it that you had built up before this date.

### **iii. What is the State Pension before 2016 worth and how much will I get?**

The amount of State Pension you're entitled to depends on your National Insurance (NI) contributions. You might have gained these by:

- paying NI while employed and earning at least £155 a week (2015–16 rate) from one employer. If your earnings were between £112 and £155 a week from one employer, you'll still have built up an NI record although you won't have paid NI contributions.
- paying NI while self-employed
- making voluntary NI contributions
- receiving NI credits, for example while unable to work if you were unemployed, claiming Child Benefit for a child under 16 in the tax years from 1978–79 up to 2009–10, or receiving Carer's Allowance or Carer's Credits.

#### **What will I get?**

For the 2018–19 tax year, the full basic State Pension rate is £125.95 a week.

You may not get the full rate; the exact amount you'll get depends on your National Insurance (NI) record.

### **Basic State Pension if you reached State Pension age between 6 April 2010 and 6 April 2016**

- If you've got 30 or more qualifying years of NI contributions, you'll get a full basic State Pension of £125.95 a week in 2018–19. The qualifying years don't have to be consecutive
- If you've got under 30 qualifying years, you'll get 1/30th of the full basic State Pension for each qualifying year. For example, if you have 20 qualifying years, you'll get 20/30ths of the full rate, so £125.95 divided by 30 x 20 = £83.97 a week)
- You'll need a minimum of one qualifying year to get a proportion of State Pension.

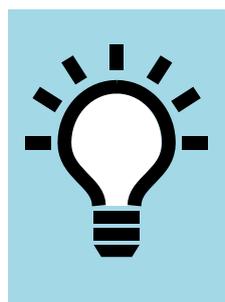
### **Basic State Pension if you reached State Pension age before 6 April 2010**

- For men born before 1945 and women born before 1950, you will need 44 qualifying years (men) and 39 qualifying years (women) for a full basic State Pension.

- You will need at least 10 qualifying years if you're a woman and 11 qualifying years if you're a man to get a proportion of basic State Pension.

If you're not eligible for the full rate of the basic State Pension, you might be able to increase it by using your spouse or civil partner's NI contributions. You can only increase it to £75.50 a week in this way.

### **Good to know**



If you're eligible for less than the full basic State Pension rate, you may be able to increase it by paying voluntary NI contributions (see chapter 5 for more information on eligibility for this).

Currently, the basic State Pension rate increases every year by the highest of:

- earnings growth in Great Britain
- Consumer Prices Index growth
- 2.5%.

## What is a qualifying year?

- If you're employed, this is a tax year where you earned at least the lower earnings limit from one job. The lower earnings limit changes every year. You can look up the rates at [gov.uk/government/publications/rates-and-allowances-national-insurance-contributions](https://www.gov.uk/government/publications/rates-and-allowances-national-insurance-contributions).
- If you're self-employed, this is a tax year where you paid NI contributions if you earned at least the Small Profits Threshold amount. You might have paid NI contributions voluntarily if you earned less than that.
- If you've paid enough voluntary NI contributions or been awarded enough NI credits in a tax year, that is a qualifying year.

## Example

Tom reached State Pension age on 12 November 2014. Tom has 30 qualifying years on his NI record: 25 years built up while working and five years built up while caring for his brother and receiving Carer's Allowance. So Tom is entitled to the full basic State Pension of £125.95 a week. On top of this, Tom is also entitled to an Additional State Pension of £55.00 a week. Tom will receive a State Pension of £180.95 a week.

## **iv. Contracting out**

If you were ever 'contracted out' of the Additional State Pension, you'll have paid lower NI contributions, so a deduction will be made from any Additional State Pension you can claim. You may have been contracted out if you were paying into certain workplace, personal and stakeholder pension schemes. Most people will have been contracted out at some point during their working life. It's very likely you will have been if you worked in the public sector.

While contracted out, you would have paid lower NI contributions or some of your NI contributions would have been paid into your private pension instead of building up an Additional State Pension. You received extra pension into your workplace or personal scheme, but gave up some State Pension in return. In most cases, this should mean you'll get an extra amount from your workplace or personal pension, to reflect the amount deducted from your Additional State Pension.

You can find out if you were contracted out by checking old payslips. If the NI contributions line has an N or a D next to it, you were contracted out; if it has an A next to it, you weren't. If

you're unsure, check with your employer or pension provider. The Pension Tracing Service can help you find contact details for your workplace or personal pension schemes ([0800 731 0193](tel:08007310193), [gov.uk/find-pension-contact-details](https://gov.uk/find-pension-contact-details)).

To find out more about contracting out, read the government's guidance ([gov.uk/government/publications/state-pension-fact-sheets/contracting-out-and-why-we-may-have-included-a-contracted-out-pension-equivalent-cope-amount-when-you-used-the-online-service](https://gov.uk/government/publications/state-pension-fact-sheets/contracting-out-and-why-we-may-have-included-a-contracted-out-pension-equivalent-cope-amount-when-you-used-the-online-service)).

## 4. Get a State Pension statement

If you're more than 30 days from reaching your retirement age, it's a good idea to get a personalised estimate of your State Pension with a free State Pension Statement from the Future Pension Centre (0800 731 0175, [gov.uk/state-pension-statement](https://www.gov.uk/state-pension-statement)).

It will tell you when you'll reach State Pension age, how much you're likely to get based on your current National Insurance record and the number of qualifying years you have. If you're not on track to receive the full new State Pension rate, it will also show the maximum new State Pension you could get if you pay extra voluntary National Insurance contributions (see chapter 5). The statement also shows what reduction will be made to your State Pension rate if you were contracted out.

The online State Pension statement also shows you which years have been counted as qualifying years, so you can see if you have any gaps that you may be able to fill.

The government produces a useful guide called **Your new State Pension explained**, which provides an overview of the main changes to the State Pension ([gov.uk/government/publications/your-new-state-pension-explained](https://www.gov.uk/government/publications/your-new-state-pension-explained)).

## 5. Your National Insurance record

Both the new and old State Pension systems are based on your National Insurance (NI) record. It's a good idea to get a full National Insurance statement from HMRC, to check if you've got any gaps in your record ([0300 200 3500](https://www.gov.uk/check-national-insurance-record), [gov.uk/check-national-insurance-record](https://www.gov.uk/check-national-insurance-record)). You'll need to say what years you want the statement to cover. You can also see your National Insurance record on your online State Pension statement.

Your statement will tell you:

- what National Insurance contributions (NICs) you've paid and any National Insurance credits you've received for the years you requested
- whether gaps in your payments or credits mean that any of these years don't count as a qualifying year
- whether you can make voluntary NICs to fill in any gaps, and how much these will cost.
- You might have gaps in your record if:

- you were unemployed and not claiming benefits
- you were employed but had low earnings
- you were self-employed and only making a small profit
- you've lived abroad.

## **Voluntary National Insurance**

If you're not going to get a full State Pension because of gaps in your NI record, you might want to consider paying voluntary NICs to increase the amount you'll receive. There are various things to think about when deciding whether to do this, and you'll also need to check if you're eligible (see below).

Things to consider before making voluntary NICs:

- the cost of the contributions
- the number of qualifying years needed for a full State Pension
- the number of qualifying years you have, and the number you can still get during your

working life, bearing in mind the rising State Pension age

- the amount you want to increase your State Pension by
- whether you want to increase the bereavement benefits your partner may receive if you die
- whether making voluntary NICs will affect any benefits you receive
- life expectancy – obviously this will largely be unknown, but if you know you have a life-limiting condition, you might want to take this into account.

## **Can I make voluntary National Insurance contributions?**

Not everyone is eligible to pay voluntary NICs, and you may not be able to pay them for every year you're missing. You can usually only pay voluntary NICs to cover gaps in your record in the last six years – the deadline is 5 April each year. However, if you reach State Pension age after 5 April 2016, you can fill gaps going back to the 2006/07 tax year and have until April 2023 to do this. This is intended to make sure that

people who are affected by the introduction of the new State Pension do not lose out.

You'll need to be eligible to pay NICs for the period that the contributions cover. You won't be able to pay voluntary NICs to cover years when you were contracted out of the Additional State Pension – see [gov.uk/voluntary-national-insurance-contributions/who-can-pay-voluntary-contributions](https://www.gov.uk/voluntary-national-insurance-contributions/who-can-pay-voluntary-contributions).

You might be eligible to pay voluntary NICs if:

- you're a married woman or widow who stopped paying reduced rates
- you're employed but earning under £116 a week and not eligible for National Insurance credits
- you're self-employed with profits under £6,205
- you're living abroad – see [gov.uk/national-insurance-if-you-go-abroad](https://www.gov.uk/national-insurance-if-you-go-abroad) for the full rules on this
- you're unemployed and not claiming benefits.

You are allowed to pay voluntary contributions after State Pension age.

## **National Insurance contribution rates**

The rates for 2018–19 are:

- £14.65 a week for class 3 contributions (voluntary NICs)
- £2.95 a week for class 2 contributions (for self-employed people).

This means that each one-off payment of £761.80 (Class 3) or £153.4 (Class 2) will buy you an increasing income for the rest of your life of £244 a year (1/35<sup>th</sup> of the new State Pension).

The exact rates you'll pay vary, depending on what tax year you're paying contributions for and your date of birth. For full details see [gov.uk/voluntary-national-insurance-contributions/rates](https://www.gov.uk/voluntary-national-insurance-contributions/rates).

### **Should I make voluntary National Insurance contributions?**

If you want to discuss your options for making voluntary National Insurance contributions, call the Future Pension Centre on **0800 731 0175** (or email [tyneviewpark.fpccustomermercure@dwp.gsi.gov.uk](mailto:tyneviewpark.fpccustomermercure@dwp.gsi.gov.uk)).

They can arrange for a nominated expert to call you back and talk through your situation.

## **6. Claiming on a partner's National Insurance record**

### **i. The State Pension before 6 April 2016**

If you're claiming under the old State Pension system, you can sometimes increase your State Pension using your wife's, husband's, civil partner's (or late wife, husband or civil partner's) contributions. You can only do this if you're not eligible to get more than around 60% of full basic State Pension using your own record. You can increase your State Pension up to a maximum of £75.50 a week (2018–19 rate) in this way.

### **ii. The new State Pension (from 6 April 2016)**

If you're claiming under the new State Pension, you won't usually be able to claim on your partner's NI record. If your partner reaches State Pension age on or after 6 April 2016 and is therefore claiming under the new system, but you're claiming under the old system, you may still be able to qualify for a State Pension based on their NI record up to 5 April 2016. NICs they

make on or after 6 April 2016 won't be included when working out your State Pension.

You may still be able to inherit some of a partner's State Pension if you're widowed or get an increase in your State Pension if you paid married women's and widows' reduced-rate NI contributions under the Reduced Rate Election system (or Married Woman's Stamp) – see below.

The rules are complicated, so if you think this might apply to you, contact the Future Pension Centre helpline ([0800 731 0175](tel:08007310175)) or use Gov.uk's online tool ([gov.uk/state-pension-through-partner](https://www.gov.uk/state-pension-through-partner)) to check what you might qualify for.

## **Inheriting State Pension if you're widowed**

You may be able to inherit some of your wife's, husband's, or civil partner's Additional State Pension or half of their protected payment if your marriage or civil partnership began before 6 April 2016. If they were receiving extra State Pension because they deferred claiming, you may be able to inherit some of this. For further information, see [gov.uk/new-state-pension/inheriting-or-increasing-state-pension-from-a-spouse-or-civil-partner](https://www.gov.uk/new-state-pension/inheriting-or-increasing-state-pension-from-a-spouse-or-civil-partner).

Any State Pension you inherit will be paid on top of your State Pension. You'll still be paid inherited State Pension even if you don't meet the 10 year minimum qualifying years for your own State Pension.

### **If you've paid women's and widows' reduced-rate NI contributions**

If you paid married women's and widows' reduced-rate NI contributions under the Reduced Rate Election system, other rules may be applied to allow you a higher State Pension than you'd get from your own National Insurance record alone. You'll be eligible for this if you still had the right to pay these reduced-rate contributions at the start of the 35-year period that ends on the 5 April before you reach State Pension age.

If these rules are applied to you, you won't need at least 10 years of NI contributions to receive any State Pension at all, and you'll get the higher of:

- a new State Pension based on your own NI record alone
- a State Pension similar to the basic State Pension under the old rules for married women, widows and divorcees claiming on

their husband's record, plus any Additional State Pension you're entitled to through your own NI contributions.

### **iii. If you're divorced or your civil partnership has been dissolved**

Under both State Pension systems, the courts can make a pension sharing order which means any Additional State Pension or protected payments will be shared. If you're ordered to share your Additional State Pension or protected payments, this will be added to your ex-partner's State Pension. If your ex-partner is ordered to share their Additional State Pension or protected payment, this will be added onto your State Pension.

If you have any queries, contact the Future Pensions Centre helpline on [0800 731 0175](tel:08007310175).

## 7. How to claim your State Pension

For both the new State Pension and the basic State Pension, you need to make a claim – you won't receive it automatically. You should be contacted about four months before you reach State Pension age. If you haven't been contacted by three months before, ring the State Pension claim line ([0800 731 7898](tel:08007317898)). You don't need to make a claim for the Additional State Pension or a protected payment – they will automatically be added when you claim.

There are four ways to claim:

- online at [gov.uk/get-state-pension](https://www.gov.uk/get-state-pension)
- by calling the State Pension claim line on [0800 731 7898](tel:08007317898)
- by filling in the State Pension claim form and sending it to your local pension centre – download this ([gov.uk/government/publications/the-basic-state-pension](https://www.gov.uk/government/publications/the-basic-state-pension)) or request a form by phoning the claim line
- claim from abroad – see chapter 8.

You can still claim your State Pension if you intend to keep working, though you may have to pay more income tax.

If you want to nominate someone else to collect your State Pension, contact your bank, building society or Post Office.

If you're eligible for a state pension from the Isle of Man, you'll have to claim it separately from your UK new State Pension. You can find more information at [gov.im/categories/benefits-and-financial-support/social-security-benefits/retirement-pension](https://gov.im/categories/benefits-and-financial-support/social-security-benefits/retirement-pension).

## **Deferring your State Pension**

You won't get the State Pension until you claim it, so to defer it you don't need to do anything – just don't claim it. For each year you defer, your State Pension will be boosted by 5.8% under the new State Pension, or 10.4% under the old system.

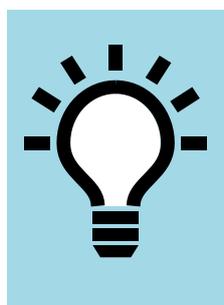
If you're claiming under the old State Pension rules, you can take this amount as extra State Pension, or take a lump sum payment including interest of 2% above the Bank of England base rate if you've deferred for at least 12 consecutive

months. The lump sum is taxed at the same rate of income tax as you pay on your other income. For example, if you're a non-taxpayer in the tax year you receive the lump sum, you will pay no tax on the lump sum, however large it is.

If you're claiming under the new State Pension rules, you won't have the option of a lump sum; you will only be able to take this amount as extra State Pension.

If you have already started drawing your State Pension, you can stop it, and then restart at a later date. You can only do this once.

## **Good to know**



If you're claiming certain benefits, you won't be able to get any extra State Pension by deferring it – see [gov.uk/deferring-state-pension](https://www.gov.uk/deferring-state-pension) for more information.

Once you decide to claim your State Pension, do this in the usual way – see 'How to claim your State Pension' above.

## 8. The State Pension if you retire abroad

If you're eligible for the State Pension, you'll still be able to claim it if you retire abroad. You'll need to contact the International Pension Centre to tell them you've moved ([+44 \(0\)191 218 7777](tel:+441912187777), [gov.uk/international-pension-centre](https://www.gov.uk/international-pension-centre)). You should also contact HMRC ([gov.uk/tax-right-retire-abroad-return-to-uk](https://www.gov.uk/tax-right-retire-abroad-return-to-uk)), so that you pay the right amount of tax.

To claim your State Pension, contact the International Pension Centre or fill in the international claim form ([gov.uk/government/publications/guidance-on-claiming-a-state-pension-if-you-retire-abroad](https://www.gov.uk/government/publications/guidance-on-claiming-a-state-pension-if-you-retire-abroad)) and send it to the International Pension Centre at the address on the form. Your State Pension can be paid to a bank account in the country you are living in or a UK bank or building society account.

Depending on where you retire to, your State Pension may or may not increase each year, as it does in the UK. You'll be entitled to the annual increase if you move to:

- the European Economic Area, Gibraltar or Switzerland
- certain other countries which have an agreement with the UK to give the annual increase, including Guernsey, Jersey, the USA and Turkey. For a full list, see [gov.uk/government/publications/state-pensions-annual-increases-if-you-live-abroad/countries-where-we-pay-an-annual-increase-in-the-state-pension](https://www.gov.uk/government/publications/state-pensions-annual-increases-if-you-live-abroad/countries-where-we-pay-an-annual-increase-in-the-state-pension)

If you've retired to any other countries (including Australia, Canada or New Zealand), you won't get the annual increase. If you return to the UK, your State Pension will go up to the current UK rate at that time.

You won't be able to claim Pension Credit if you move abroad permanently – see chapter 9.

## 9. Pension Credit

If you have low retirement income, you may be able to claim Pension Credit. You can claim it even if you keep working.

Pension Credit is divided into two parts:

- Guarantee Pension Credit provides extra money for people with low weekly incomes
- Savings Pension Credit is extra money for people who have made financial provision towards their retirement, for example through savings or a private pension. Access to this is now very limited (since April 2016).

Pension Credit is one of the easiest benefits to make a claim for – just call the Pension Credit claim line on [0800 99 1234](tel:0800991234).

### **Guarantee Credit**

Guarantee Credit guarantees you a weekly minimum amount to live on; it tops up your weekly income to £163.00 for a single person or £248.80 for a couple (2018/19 tax year rates). You might get more than this if you're severely disabled, a carer, or have certain housing costs –

arrange a benefits check by calling Independent Age on [0800 319 6789](tel:08003196789) or use our online calculator ([independentage.org/benefit-calculator](https://independentage.org/benefit-calculator)).

Pension Credit qualifying age is gradually rising to 66 in line with the rising State Pension age. To check when you'll qualify, go to [gov.uk/state-pension-age](https://gov.uk/state-pension-age) or call the Pension Service on [0800 99 1234](tel:0800991234).

If your weekly income is less than £163.00 for a single person or £248.80 for a couple, you may be eligible for Guarantee Credit (2018/19 tax year). Savings over £10,000 are taken into account when calculating your income – you'll be assumed to have £1 extra income a week for every £500 (or part of £500) you have over this amount.

## **Savings Credit**

Savings Credit can give you up to £13.40 extra a week if you're single or £14.99 a week if you're a couple. You may be eligible if your qualifying income (including earnings, pensions, and assumed income from savings and annuities) is over £140.67 a week for a single person or over £223.82 a week for a couple. If your qualifying

income is too high you may be above the level for Savings Credit.

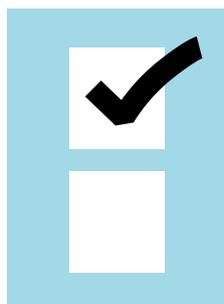
Limits were put on who can receive Savings Credit from 6 April 2016, so the exact rules about who can qualify are complicated.

To qualify for Savings Credit, you or your partner must be 65 or over.

- You won't be eligible for Savings Credit if you're single and reached State Pension age on or after 6 April 2016.
- If you reached State Pension age before 6 April 2016, you can still apply for Savings Credit once you're 65, regardless of when you apply.
- If you're a couple and both reached State Pension Age before 6 April 2016, you can apply for Savings Credit once the eldest is 65.
- If you're a couple and only one of you reached State Pension age before 6 April 2016, you can get Savings Credit if one of you is aged 65 or over, was already getting Savings Credit before 6 April 2016, and has been entitled to it at all times since 6 April 2016.

- If you're currently receiving Savings Credit and stop being eligible for any reason after 6 April 2016, you won't be able to get it again.

## To do



Contact the Pension Service ([0800 99 1234](tel:0800991234)) to check if you can claim. For more information, read our factsheet **Pension Credit**.

## Pension Credit abroad

You may be able to receive Pension Credit if you go abroad temporarily for up to four weeks, as long as you don't plan to be away for longer than this at the start of the absence. If you go abroad for medical treatment for a condition you were being treated for under the NHS that began before you left, you may be able to claim Pension Credit for up to 26 weeks, as long as you don't plan to be away for longer than this at the start of the absence.

### Example 1

Marnie tells the Pension Service she is going abroad for three weeks. As she is expected not

to be absent for more than four weeks, she is entitled to Pension Credit during the whole temporary absence.

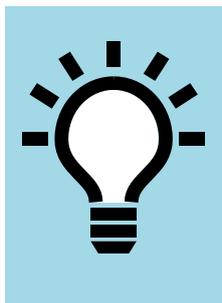
### **Example 2**

James tells the Pension Service he is going abroad for five weeks. He will not be entitled to Pension Credit at all during his absence because he was expecting to be away for more than four weeks at the start of the absence, but his award will restart when he gets back and tells the Pension Service his return date.

### **Example 3**

Rebecca tells the Pension Service she is going abroad for four weeks. However, she becomes ill while abroad, can't travel back until a week later, and is actually absent for five weeks. She will be entitled to Pension Credit for the first four weeks as her intention was not to be away more than four weeks, but she will not be entitled to Pension Credit for the fifth week.

## Good to know



You can't keep getting Pension Credit if you move abroad permanently. If you're going abroad, contact the Pension Service on [0345 606 0265](tel:03456060265) before you travel.

## 10. Useful Contacts



If you're unsure about anything that you have read in this factsheet and would like to talk to someone about it, ring our Helpline to arrange to speak to one of our advisers ([0800 319 6789](tel:08003196789)).

### **Pension Service**

#### **Help making a claim**

Telephone: [0800 731 7898](tel:08007317898)

Textphone: [0800 731 7339](tel:08007317339)

#### **Claim online**

[gov.uk/claim-state-pension-online](https://www.gov.uk/claim-state-pension-online)

#### **Report a change in circumstances**

Telephone: [0800 731 0469](tel:08007310469)

Textphone: [0800 169 0133](tel:08001690133)

#### **Find your local pension centre**

[gov.uk/find-pension-centre](https://www.gov.uk/find-pension-centre)

## **Future Pension Centre**

For questions about your State Pension and to request a personalised statement:

Telephone: [0800 731 0175](tel:08007310175) (statements and enquiries)

Telephone from outside the UK: [+44 \(0\)191 218 3600](tel:+44(0)1912183600)

Textphone: [0800 731 0176](tel:08007310176)

Textphone from outside the UK: [+44 \(0\)191 218 2051](tel:+44(0)1912182051)

[gov.uk/check-state-pension](https://www.gov.uk/check-state-pension)

## **Check State Pension age**

[gov.uk/state-pension-age](https://www.gov.uk/state-pension-age)

## **Isle of Man State Retirement Pensions**

[gov.im/categories/benefits-and-financial-support/social-security-benefits/retirement-pension/](https://www.gov.im/categories/benefits-and-financial-support/social-security-benefits/retirement-pension/)

## **Other queries about pensions**

The Government's Pensions Advisory Service (TPAS) offers free and impartial guidance about workplace and private pensions, including schemes used to contract out of the Additional State Pension.

Telephone: [0300 123 1047](tel:03001231047)

[pensionsadvisoryservice.org.uk](https://pensionsadvisoryservice.org.uk) (includes webchat)

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