

Good Reasons to Choose Additional Voluntary Contributions (AVCs)

AVCs are one of the most effective ways to make sure you're saving enough to provide the tax free cash and regular income you want in retirement. Whether you're already a member, thinking about joining or want to restart, here are a few reasons to choose AVCs:

- 1 A helping hand from the taxman.** If you normally pay tax you'll qualify for immediate tax relief on your payments (subject to Government limits), so if you're a basic rate taxpayer, an extra £100 per month will only cost you £80, with the £20 normally paid to the taxman going into your pension instead. If you earn above the basic rate you will get higher tax relief.
- 2 Money in your pocket.** You can potentially take up to 100% of your AVC pot as a tax-free lump sum when you draw your AVC benefits at the same time as your LGPS pension (as long as this isn't more than 25% of the total value of your LGPS pension benefits taken.) If you prefer, you can use your plan value to provide a taxable retirement income instead, or a mixture of both. You may also be able to use your AVC pot to buy a top-up LGPS pension or additional LGPS membership subject to scheme rules.
- 3 Your choice.** You'll be able to stop, restart, and adjust your payments at any time according to your needs. Stopping or reducing your payments will affect your benefits in retirement.
- 4 Flexible investment.** You'll have a choice of funds to invest in. These can be reviewed on a regular basis to make sure they reflect your individual requirements. Your fund value may go down as well as up and your retirement fund value may be less than what you have contributed. Please be aware that if you stop contributions our charges will continue.
- 5 It's never too early or late to start.** It may sound like a cliché, but the sooner you're able to invest now, the greater your chance of having the retirement lifestyle you desire.

Take action now –
call us on
0800 234 6916



Whether you want to join, top up or restart – we're here to help.

Take action now. For more information on joining, topping up or restarting – our dedicated support team will be happy to help and can even complete all the paperwork over the telephone.

Please call us on **0800 234 6916**.

Lines are open 9am-6pm Mon – Fri. Calls may be monitored or recorded for quality and security purposes.

We won't provide you with financial advice, but we will provide you with information to help you make an informed choice.

The information provided is based on our understanding as at June 2012, of taxation rules which may change and the tax impact will depend on your individual circumstances.

You also have the option of "Additional Regular Contributions" within your pension scheme and you should contact your main scheme administrator for more details.



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