

What is a QNUP?

A Qualifying Non-United Kingdom Pension Scheme (QNUPS) is a multi-member scheme governed by a master trust deed. A sub-fund is established for each individual, is separated from other Members' assets and held for the benefit of the designated Member only.

A QNUPS can be utilised for bespoke planning or on a multi-member basis. As there is no limit on contribution size a QNUPS can be utilised as a main or a supplementary pension. A QNUPS may also have appeal to clients looking to shelter assets and also older clients for estate planning.

Unlimited Contributions and Reporting Status

UK registered pensions have a lifetime allowance limited imposed on them in regard to the tax relief available. QNUPS has the advantage that as it does not hold UK tax relieved funds (i.e. contributions paid after tax), there are no limit on the funds size. As monies settled into the plan are Non-Tax relieved assets there is no requirement for the Trustee to report to HMRC.

QNUPS Key Advantages

A QNUPS offers greater discretion over investment choice compared to that of most UK based pension schemes. Investment options are wide-ranging and include the ability to invest in both standard asset classes such as cash, stocks, bonds, life policies and non-standard asset classes such as residential and commercial property, land, private equity and secured loans. It is also possible for an investment advisor of the client's choice to be appointed.

Offshore Advantages

As stated previously there are no limits on contributions or fund size and QNUPS are fully available to UK resident and non-resident members. There are no age restrictions for the contributions made or benefits taken and QNUPS could create opportunities for succession planning for members. Loans of up to 30% of a fund are available to members and assets in the plan grow free of taxation subject to any withholding taxed.

QNUPS provide flexibility on drawing benefits as the plan proceeds are paid out Gross and there is discretion over distribution of the fund upon death of the member.

Exit

There are no penalties or hidden exit charges upon closure of transfer of the scheme. The Pension benefits of the member under the scheme are payable no earlier than at the age of 55. On reaching this age, it is possible to take a lump sum of 30% of the fund.

Since a QNUPS is a trust structure, the legal owners of the assets are the trustees who hold them for the member's benefit. Upon the member's death the trustees retain the assets and this they will fall outside the of the member's estate.

Tax Advice/Fees

Full tax and structuring advice must be obtained for the establishment of a QNUPS. Imperium work with a number of leading advisory firms to assist with this advice and drafting of the QNUPS member Deed, as well as assisting with appointing auditors, lawyers and additional ancillary services.

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