

**Media Release**

14 September 2010

For immediate release

## Age restrictions on tax relief for pension contributions should be scrapped, says Xafinity Paymaster

Pension specialist Xafinity Paymaster, in a response to the recent HM Treasury Consultation paper (Removing the requirement to annuitise by age 75) has called on the Government to scrap the age restrictions on tax relief for pension contributions.

Xafinity Paymaster believes that the maximum age limit of 75 for tax relief to be available for pension contributions is an 'artificial anomaly' and should be removed.

Xafinity Paymaster also suggests that tax free death benefits up to capital protection levels (annuity purchase less payments) should be provided.

Although the firm welcomes many of the reforms set out in the HM Treasury consultation paper regarding removing the requirement to annuitise at age 75, it argues that the Government could go further with some of its reforms, especially where they relate to the pensions tax framework.

**Keith Boughton, Insurance and Payroll director at Xafinity Paymaster commented:**

“We are encouraged and supportive of many of the changes which are proposed by the Government around the age 75 rule. However, we would suggest that there are other steps which may be taken to also simplify the pension tax framework and assist with improving consumer perception of annuities. We believe that providing tax free death benefits up to capital protection levels would encourage the purchase of capital protection which in turn would help with the consumer perception of annuity value. We welcomed the opportunity that this consultation provides to specialist firms in the industry to help shape the future of pension regulation.”

ENDS

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**About Xafinity Paymaster**

Xafinity Paymaster is a leading business process outsourcer providing pension, payroll and annuity administration for more than 800 schemes covering the full spectrum of sizes and arrangements. Xafinity Paymaster delivers large scale financial administration for more than 140 major public and private sector organisations and makes payments totalling over £11 billion per annum to pensioners, dependents and annuitants in 180 countries worldwide.