

## Not all pension plans are the same

There's no one-size-fits-all approach. The best pension plan for you will depend on when you want to retire, and what you want to do. Maybe you want to cut down your working hours and use your pension to top up your income. Maybe you want the peace of mind that your everyday finances are taken care of, for life. By working closely with your financial adviser, you can create a personalised plan that best meets your needs.

Suitable for customers and investors.



## Many people need their pension to keep going

You can choose to move some or all of your pension pot into 'drawdown'. This means after you take tax-free cash, the pension money you moved will remain invested, and you can take income out a bit at a time. This is also known as 'drawing down' an income.

When you move money from your pension pot into drawdown you can normally take up to 25% of the money you move as a tax-free amount\*. The other 75% is what will end up in drawdown. Remember, you don't have to move all of your pension pot into drawdown in one go. You can take your tax-free cash in stages.

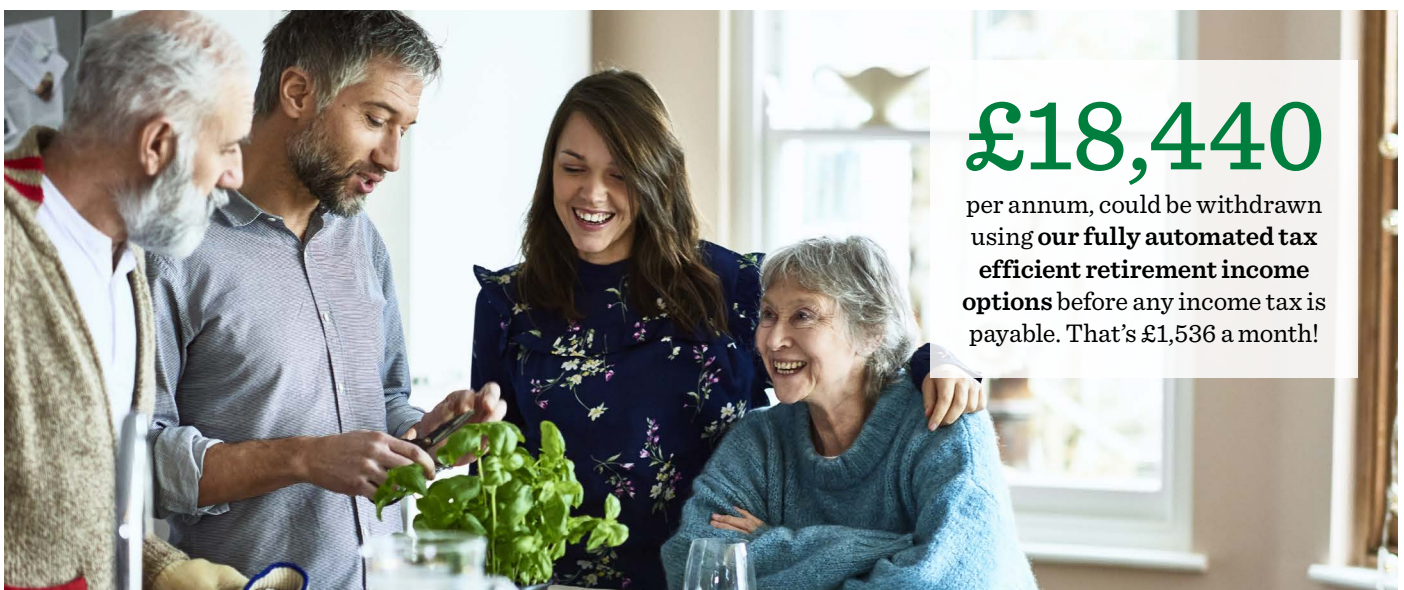
\*From 6 April 2024, a change in the pension rules means the maximum that can be withdrawn from a pension tax-free is frozen at £268,275 (unless a previously applied for protection is in place).

## The benefits of using our tax-efficient regular income options

If you are looking to receive a regular income, but also wish to continue to grow your tax-free cash entitlement, then you should explore taking advantage of our tax-efficient regular income options.

These options allow you to take money on a regular phased basis, or as and when you want to. This lets you spread out the benefit of taking tax-free cash, especially if the money you leave invested grows, because then you get 25% of growth tax free, too.

What's great is that the Quilter investment platform can **fully automate this income on a monthly, quarterly, half yearly or yearly basis.**



# £18,440

per annum, could be withdrawn using our fully automated tax efficient retirement income options before any income tax is payable. That's £1,536 a month!

Calculated for the 2026/27 tax-year. Based on someone having a personal allowance of £12,570 and being able to claim 10% of their spouse's personal allowance. The withdrawals are made up of 25% pension commencement lump sum which is tax free and the remainder falls within the personal allowances where applicable. Payments can be made monthly/quarterly/half yearly or yearly. Tax treatment varies according to individual circumstances and is subject to change.

## See the difference tax efficient regular income options can make

Take regular payments that are just tax-free cash



**Duncan is 59**  
and earns £56,000 a year

He wants to work a bit less, which would reduce his income to £50,000 a year. He wants an income from his Quilter pension of £500 a month to make up the difference without having to pay tax on that income.

**Duncan's adviser recommends he moves £2,000 out of his pension pot every month, giving him 25% (£500) as tax-free cash and putting the other 75% (£1,500) into drawdown.**

When he earned £56,000 Duncan was a higher rate taxpayer. With his reduced hours reducing his income to £50,000 he is now a basic rate tax payer. After he retires, he expects his income to be lower. So he would rather take tax-free income now to prevent paying higher rate tax and take taxable income from his drawdown pot in the future when he has a lower income. As Duncan's needs change over time, he can change what he is doing.

Take regular payments that are made up of tax-free cash and taxable income



**Willow is 67**  
and about to retire

She wants an income from her Quilter pension of roughly £500 a month to boost what she gets from her state pension and small employer pension.

**Willow's adviser recommends she moves £600 out of her pension pot with Quilter every month, giving her 25% (£150) as tax-free cash and moving the other 75% (£450) into drawdown.** Her adviser also asks us to immediately pay this money out to her again as income.

This income is taxed. As her state pension and small employer pension use up all her personal allowance the extra money will mean she is a basic rate taxpayer so she pays tax at 20%. 20% of £450 is £90. So, after tax, her £450 has become £360. Her total income is from her Quilter pension is £360 + £150 = £510 per month.

She's taking an income, but not building up any money in her drawdown at the moment. As Willow's needs change over time, she can change what's she's doing.

## Making your pension go further

You've worked hard for this money, so you want to make sure you get to enjoy all the things you want to with this money. It's not just the income tax you can save on. Remember, whilst you take this income this way, more money stays invested, giving it the opportunity to grow.



*Investment worth more  
through tax efficiency*



*Income tax saved*

## Next steps

Some people think a pension is all about how much you can take out as a lump sum. **It's not. It's about how much you can take out as an income and keep going.**

It only takes a few minutes online to set up to help ensure you get the best out of your pension and allow it to grow whilst you are taking your income.

Speak you your financial adviser today to explore how this could work for you.

Your investment may fall or rise in value and you may not get back what you put in. Case studies used are fictional and for illustrative purposes only.

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