

# What is a Self-Invested Personal Pension (SIPP)?

## What is a SIPP?

A Self-Invested Personal Pension, or SIPP for short, is a type of personal pension plan.

It's a way to save for your retirement that gives you the freedom to choose and control how your money is invested. Think of it as a "DIY" pension where you have the power to pick where your retirement savings go, not just leave it to someone else to decide.



## How does a SIPP work?

You put money into your SIPP, either as a one-off lump sum or with regular payments. This money is then invested, and you can choose from a wide range of investment options, like company shares, funds, or commercial property. Over time, your investments (hopefully) grow, giving you a bigger pot for retirement.

## What are the benefits of a SIPP?

- **Tax Advantages:** They offer tax-benefits with the UK Government giving a 20% basic tax relief with the additional benefit of Inheritance Tax not applying to SIPPs.
- **Annual allowance for a SIPP:** The annual allowance you can contribute into your SIPP is currently £60,000.
- **Flexible:** SIPPs let you invest in a range of options, from shares and investment funds to commercial property.
- **Combine Old Pensions:** You can transfer old pensions into one SIPP, making it easier to keep track of your retirement savings.
- **When Can I Take Money Out?** You can start drawing down when you reach age 55 (age 57 from 2028), with options for taking a lump sum of 25%, a monthly income, or a mix of both.



## Why consider a SIPP?

- Looking to bring old pensions together? SIPPs can help simplify your retirement planning by combining different pensions into one place.
- Ideal for those that are self employed or those that don't have a workplace pension.
- A SIPP allows you to contribute monthly as well as your employer.
- Planning for the long term? SIPPs are designed for retirement savings, so they're best if you don't need the money before age 55.

**A SIPP gives you control over your retirement savings and can be a smart way to grow your pension, especially if you want flexible investment options and the potential for tax advantages.**



  
**MONEY SHE**  
smart women invest

*Smart Women Deserve Smart Investments*

**enquiries@moneyshe.com**

Michelin House, 81 Fulham Road, London, SW3 6RD • +44 (0)20 7838 8650 • [www.scmdirect.com](http://www.scmdirect.com)

**Important Information: Capital at Risk**

The value of investments and the income from them can fall as well as rise and are not guaranteed.  
Investors may not get back the amount originally invested.

MoneyShe is a trading brand of SCM Private LLP which is authorised and regulated by the Financial Conduct Authority to conduct investment business No. 497525. Registered in England and Wales No. OC342778