Do you know when you will receive your state pension?

Momentum Financial Solutions
For the financial future you deserve

The Government is proposing to bring forward its planned increase to the state pension age to 68 seven years earlier than planned.

This follows a review by the Department of Work and Pensions to address the Government's ability to maintain a fair and sustainable state pension for the ageing UK population.

We can help you achieve a tax-efficient financial plan by providing advice that's based on a thorough understanding of your personal circumstances and goals. Please get in touch to find out more.

Originally, the state pension age was due to increase to 68 for both men and women from 2044 - 2046, but this has been brought forward to 2037 - 2039.

This means that if you were born between 1970 and 1978, you will have to wait an extra year before you can claim your state pension.

Naturally, if you are older, you will be unaffected by the changes. Also, if you have been paying into your own pension plan and are not relying on the state pension, it probably won't have a huge impact.

If you're in your late 40s and early 50s, you cannot be certain that your state pension age will remain at 67 and younger generations might be worried that the current timetable for the rises could change again.

Could you imagine a scenario where 20 - 30 year olds will have to wait until they are at least 70 before they can receive a state pension?

So, what can you do?

Put simply, the bigger your own personal pension savings, the less reliant you will be on the state pension. Even if retirement seems a long way off, the earlier you can start saving, the better.

Even saving a small amount can make a difference when you come to retire. It's important to save as much as you can, as often as you can, so that you can stop working and enjoy a comfortable retirement.

Your own pension plan is a tax efficient way to save because:

- you get tax relief on your contributions (subject to limits)
- the investments grow in a tax-efficient way
- you have the option to take a tax-free cash lump sum when you retire.

The state pension age for future generations is hard to predict and could change throughout a person's working life.

The value of investments and any income from them can fall as well as rise and you may not get back the original amount you invested.

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

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