

Guide to Property & Pension Benefits

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With a realistic outlook and the right attitude, property can be a very rewarding long term investment. One major downside many people don't consider is how rental income and profits are taxed. Below are some benefits to investing in property through your pension.

- You are not liable to pay income tax on the rental income, usually charged at the higher rate of 40%
- Profits on the liquidation of a property within a pension scheme are exempt from Capital Gains Tax, currently taxed at a rate of 33%
- Yields of 6% can easily be achieved, which ranks favourably against bond yields and stock dividends.
- Property is an easily understood investment, and local knowledge can be applied to select a suitable property.
- Lending is now available at a favourable rate, and the liability is confined to the asset on a non-recourse basis.
- Existing pension funds can be reallocated for property investment
- A fund can be set up with a number of members to purchase a property making investment more accessible.
- The costs when buying a property with your pension are clear and transparent giving you full control on the direction of your pension.
- Small Self-Administered Pensions are very beneficial for helping to pass assets over to the next generation when considering the impacts of tax on assets held outside of a pension structure.
- Property held in a pension is an excellent vehicle to generate an "income stream" to supplement your retirement.



In order to purchase a property for you pension, a self-administered pension scheme (SAPS) needs to be set up. Brock Delappe work closely with Paul Ryan Pensions & Financial Consultants in the set up and administration of SSAPS (*Small Self-Administered Pensions*). Together we combined to arrange and advise at each juncture below.

- ✓ **Acquisition** - sourcing an attractive high yielding property
- ✓ **Legal** - specialist legal advice saves on time and cost
- ✓ **Lending** - access to specialist lenders with competitive rates
- ✓ **Administration** - Paul Ryan Pensions will ensure you are fully compliant
- ✓ **Management** - avail of Brock Delappe's efficient and cost effective letting and management service





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