

Why might you need to claim HRP now?

People who need to claim for 2002/03 only have until 5 April 2006 to lodge their claim for HRP under a change in the rules which was introduced in 2002.

If you might benefit from making a claim for 2002/03, you should **make your claim before 5 April 2006** using form CF411.

The forms are available from :-

HM Revenue & Customs
National Insurance Contributions Office
Caseworker DM Team
Room H5014
Benton Park View
Newcastle-upon-Tyne
NE98 1ZZ
Telephone 08459 158224
Textphone 08459 158435



or download from -
www.hmrc.gov.uk/forms/cf411.pdf and
www.hmrc.gov.uk/forms/cf411-notes.pdf.

HRP has been available for full tax years since April 1978. A claim in respect of tax years 1978/79 to 2001/02 can be made at any time up until State Pension age, although it would be sensible to claim now as it becomes more difficult to substantiate a case as time passes. The new rule introduced in April 2002 means that you must claim within three years for any tax year that you spent caring for someone with a long term illness or incapacity.



Do you wish to defer your State Pension?

You do not have to take your State Pension at 65 or possibly earlier for a woman. For every 5 weeks that you defer your pension it will be increased by 1% so deferring it for a year could increase your pension by 10%, deferring it for the maximum 5 years could increase it by approximately 50%.

If you defer your pension by at least one year, and up to 5 years, instead of receiving an increased pension, you can receive the accumulated pension plus interest at 2% over Bank of England base rate as a taxable lump sum. This might be especially beneficial for someone who is a higher rate taxpayer at 65 expecting lower income in a later year.

Increased pension may affect other means tested benefits whereas a lump sum might not affect ongoing benefits.

Do you need to trace any other pension?

If you have lost contact with an old employer and their pension scheme or a personal pension scheme provider, you might want to contact the Pensions Tracing Service
The Pensions Service
Tyneview Park
Whitely Road
Newcastle-upon-Tyne
NE98 1BA
0845 6002 537



To discuss your individual circumstances ring 01843-863901 fax 01843-860407

Can we save you money, or help you generate extra income?

or write to us at 45a High Street, Broadstairs, Kent CT10 1JP

STATE PENSION ENTITLEMENT



The questions and information in this leaflet may prompt you, or your family, friends or associates, to plan your affairs so as to save money or generate extra income.

Please discuss your individual circumstances with us, otherwise we disclaim any liability for anyone acting, or failing to act as a consequence of any information contained in this leaflet.

January 2006 ©

W. FOWLES & Co
Chartered Accountants

This leaflet is not relevant to those people who are drawing their State Pension.

Do you know what your State Pension will be?

We recommend obtaining a State Pension forecast from The Pension Service. We can provide you with the appropriate form BR19 or you can obtain the form or apply online at www.thepensionservice.gov.uk.

A State Pension forecast will enable you to plan your finances in retirement, to check your State Pension record and to consider whether voluntary contributions could increase your entitlement to State Pension.



Do you understand Pension Credits?

Pension Credit is an entitlement for people aged 60 or over living in Great Britain and guarantees everyone aged 60 and over an income of at least :-

- £109.45 a week if you are single; or
- £167.05 a week if you have a partner.

You may decide there is little purpose in increasing your basic State Pension entitlement if it is going to be made up by Pension Credit anyway, but that is your decision. Pension Credits have been criticised and may be withdrawn in the future.

Are you paying the married woman's reduced rate contribution?

Women who were married before 1977 and who are still eligible for the reduced rate contribution cannot claim HRP. They might consider changing to a full rate contribution, possibly at no cost.

Can you claim Home Responsibilities Protection (HRP) at no cost? If so, we think you should do so.

What is Home Responsibilities Protection (HRP)?

HRP is not a payment benefit but a scheme which helps protect the basic State Retirement Pension of some people and State Second Pension (S2P) for those people who qualify because they are getting Child Benefit for a child under age six, or are looking after a sick or disabled person.

In order to receive the full basic State Retirement Pension, it is normally necessary for a man to have 44 qualifying years in a working life before the retiring age of 65. Women born after 5 April 1955 will also have a retiring age of 65, but women born before 6 April 1950 will have a retiring age of 60 and normally require 39 qualifying years, with a sliding transition between those dates..

HRP reduces the number of qualifying years required to get the full pension. If you have less than 25% of the required qualifying years you will not get any State Pension.

Do your earnings already give you a qualifying year?

If your earnings in a tax year are above the 'earnings threshold' that year will already be a qualifying year, and you will not benefit from claiming HRP. Recent 'earnings thresholds' are :-

2002/03 £3,900	2003/04 £4,004
2004/05 £4,108	2005/06 £4,264



Do you get automatic entitlement to HRP?

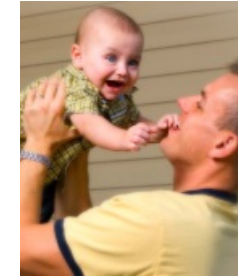
You should not need to make a claim for HRP if you were the main Child Benefit payee for a child under 16. Only the person claiming Child Benefit can get HRP in this way. Your record should be updated automatically.

To change the person who is paid Child Benefit write to
Inland Revenue
Child Benefit Office
PO Box 1
Newcastle-upon-Tyne
NE88 1AA.



You should not need to make a claim for HRP if you were getting Carer's Allowance for the same period. Your record should be updated automatically.

You might choose to complete form CF411 anyway to ensure that your records are updated.



Are you a registered foster carer?

HRP became available for registered foster carers in 2003/04. If you were approved throughout the 2003/04 tax year from 6 April 2003 to 5 April 2004, then **you should apply for HRP using form CF411.**

Who else needs to claim HRP?

If you do not get automatic entitlement, and your earnings do not exceed the earnings threshold, then if you regularly spend at least 35 hours per week looking after someone who is getting Attendance Allowance, Disability Living Allowance at the middle or highest rate for personal care, or Constant Attendance Allowance, **you should apply for HRP using form CF411.**