Women missing out on state pension

Thousands of women are thought to have been underpaid the state pension, thanks to a rule change in 2008 and computer errors.

Those affected are married women (including widows and divorcees) who reached state pension age (SPA) before April 2016 and who qualify for the basic state pension.

This cohort of women is entitled to 60% of the basic state pension their husband gets at SPA, but before March 2008 they had to make a claim to receive it. The Department for Work and Pensions (DWP) says it wrote to women whose husbands reached SPA (then 65) before this date to alert them of this option, but many say they never received such a letter.

For women whose husbands reached SPA after March 2008, the DWP's computer systems should have automatically boosted their state pension payments to the 60% sum. However, many women have said that didn't happen.

For women whose husbands reached SPA after March 2008, the DWP says it has backdated missing payments all the way to 2008. Unfortunately, claims by those falling into the pre-2008 group will be treated as a 'new claim' for a pension and therefore backdated by just one year.

To check if you have been underpaid and are owed state pension payments, contact the Pension Service on 0800 731 0469 or go to: *https://tinyurl.com/y9s2wcb4*

HMRC sets out tax rules for cryptoassets

Tax rules around cryptoassets have been clarified by HMRC, with implications for businesses and individuals.

Exchange tokens (including Bitcoin), utility tokens, security tokens and stablecoins are all currently recognised as cryptoassets by HMRC.

In most cases, individuals holding cryptoassets as a personal investment will pay capital gains tax when they dispose of them. For companies that buy and sell exchange tokens, gains or losses will be subject to chargeable gains for corporation tax purposes.

Cryptoassets are considered property for the purposes of inheritance tax, and VAT is due in the normal way for goods or services sold in return for cryptoasset exchange tokens.

More on the Shipleys website at: *https://tinyurl.com/8a9vumwh*

Pension freedom age to rise to 57

The earliest age at which you can withdraw cash from a private pension, without facing tax penalties, is set to increase from 55 to 57 on 6 April 2028.

The increase in the normal minimum pension age (NMPA), otherwise known as the pension freedom age, will affect both men and women. It is designed to encourage people to save longer for their retirement and help ensure their financial security in later life.

Pension schemes that had the right to take benefits at 55 written into their rules as of 11 February 2021 will be able to protect that age for existing members and any others that join such a scheme by 5 April 2023. This protection only applies if the scheme rules specifically gave an 'unqualified right' to retire at 55.

People born before 6 April 1971 should be unaffected by the change – which is being introduced in the government's Finance Bill next year – because they will reach 55 by April 2026 and 57 before April 2028.

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