

War widow's and dependant's pensions

This helpsheet gives you information to help you fill in the pensions received section on page TR 3 of your tax return and, if you get a pension from overseas, the *Foreign* pages.

Some pensions and allowances paid to war widows and dependants are exempt from tax. These are:

- a pension or allowance paid in respect of death due to service in the armed forces (or wartime service in the Merchant Navy), or death due to war injuries. To qualify for exemption, the pension must be paid by (or on behalf of) the Ministry of Defence under one of the following instruments
 - War Pensions (Coastguards) Scheme 1944
 - War Pensions (Naval Auxiliary Personnel) Scheme 1964
 - Pensions (Polish Forces) Scheme 1964
 - War Pensions (Mercantile Marine) Scheme 1964
 - Order by Her Majesty concerning pensions and other grants in respect of disablement or death due to service in the Home Guard
 - Order by Her Majesty concerning pensions and other grants in respect of disablement or death due to service in the Ulster Defence Regiment
 - Personal Injuries (Civilians) Scheme 1983
 - Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 1983
- a similar pension or allowance payable by the Ministry of Defence in respect of death due to peacetime service in the armed forces before 3 September 1939
- similar pensions or allowances payable under the laws of a foreign country.

If you receive such a pension or allowance, you should not include it as taxable income in your tax return. Sometimes these types of pensions or allowances are wholly or partly withheld because you receive another sort of pension or benefit. If this applies to you, the taxable part of the other pension or allowance you do receive is reduced. The amount of the reduction is the amount of the war pension or allowance (described above) that has been withheld. Use the Working Sheet below to work out the figures. You should exclude from all amounts any increase for a dependent child.

Where death is caused by service in the armed forces on or after **6 April 2005**, the Armed Forces Compensation Scheme provides for guaranteed income payments to surviving adult dependants (widows, widowers and partners from a substantial and exclusive relationship). These payments are taxable.

Working Sheet

Amount of the other pension or benefit for the year

A £

Amount of war pension or allowance withheld

B £

The taxable amount of the other pension or benefit
box A minus box B

C £

Copy the figure in box C to the appropriate box in your tax return. For example, if a war widow's pension has been withheld because you get an overseas pension, enter the taxable amount of the overseas pension on your *Foreign* pages.

Do not send this helpsheet with your tax return. Keep it in case you need to check the figures later.

Contacts

Please phone:

- the number printed on page TR 1 of your tax return
- the SA Helpline on **0845 9000 444**
- the SA Orderline on **0845 9000 404**
- for helpsheets or go to **www.hmrc.gov.uk**

These notes are for guidance only and reflect the position at the time of writing. They do not affect any rights of appeal. Any subsequent amendments to these notes can be found at **www.hmrc.gov.uk**