

# Pension Contribution Comparison

Update June 2019



CONTRIBUTION	Current	From 2020*
Basic Employer	20%	16%
Minimum Employee	0%	0%
Salary adjustment (uplift)	n/a	2%
Matching contribution	n/a	up to 2%
Salary sacrifice uplift	n/a	10% of the 'employee' contribution
Bonus sacrifice	n/a	✓

## Meet George .....



Basic salary  
£30,000

Doesn't currently  
contribute

If George pays his 2.0% salary enhancement to his pension, he will be £156 better off each year.

This is equivalent to a contribution of 20.5% of his current salary

**Click on the contribution**  
comparison modeller to see  
your numbers ....

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[Contribution Comparison  
Modeller](#)

**If you are caught by the annual allowance (AA) or lifetime allowance (LTA) you**

- Can take a **15.5% cash** in lieu alternative plus **2.0% salary** rise
- Have to choose **cash or pension** (can't split)

## Meet Georgina .....



Basic salary £200k

Will incur a tax charge if  
her full allowance is paid to  
her pension

If Georgina takes the cash in lieu alternative to the pension she will be £480 better off than before.

Georgina should consider receiving a pension contribution for 3 months and then switch to the cash in lieu alternative for 9 months.

**Click on the cash in lieu**  
comparison modeller to see  
your numbers ....

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