

Self Invested Personal Pensions (SIPP)

A SIPP is in effect a Personal Pension with much wider investment choices. A SIPP could be suitable for any investor, although we would usually not recommend a SIPP if the starting fund value was below £50,000. Regular premiums and or lump sums can be accommodated within a SIPP.

Below are some of the more popular wider investment choices:

- **Investment Funds** – Pretty much any investment fund can be accommodated within a SIPP, certainly the full range of Unit Trusts and any insurance company funds. This gives access to thousands of investment funds. You are able to select (with our help) the very best from the whole market.
- **Quoted Shares** – In addition, shares can also be held within a SIPP. You can either appoint a Discretionary Stockbroker to act for you, or if you wish to trade the occasional share, then this can simply be done via your bank or online, for example Selftrade (www.selftrade.co.uk). Your share purchase will effectively receive tax relief at up to 45%, if bought via the SIPP, i.e. say you wish to buy £10,000 worth of shares, you deposit this sum into your SIPP, if you are a higher rate taxpayer, you receive 45% tax relief. The SIPP then buys the shares for £10,000. As the shares are held within the pension fund, there will be no Capital Gains Tax (CGT) when the shares are sold.
- **Unquoted Shares** – A SIPP can also hold shares in unquoted companies, subject to certain restrictions.
- **Property** – Commercial property can also be bought via a SIPP, and the SIPP may borrow to assist with the property purchase. Loans of up to 50% of the SIPP fund value are permitted.