

## QROPS IMMEDIATE ACTION REQUIRED

In the 2017 UK Budget it was announced that as from 9 March 2017 transfers to **QUALIFYING RECOGNISED OVERSEAS PENSION SCHEMES ("QROPS")** will be liable to a 25% tax charge called the "overseas transfer charge" unless the transfer is excluded from the charge. Fortunately, transfers to an Australian QROPS should not be taxable provided the member is an Australian tax resident at the time of the transfer and continues to be an Australian tax resident for five clear UK tax years following the transfer and prescribed information is also provided by the member to the transferring UK pension scheme.

However, there are still **URGENT ACTION** steps that must be taken by all funds that are presently registered on the QROPS notification list. To continue as a QROPS Fund, Trustees must confirm that they understand and will operate the new tax charge. The undertaking is contained in HMRC Form APSS240 (available on HMRC website). The completed Form APSS240 must be completed and sent by post or courier to HMRC to arrive by 13 April 2017. If HMRC does not receive the completed form by this date, the Fund will automatically cease to be a QROPS and will be removed from the QROPS notification list.

Consequently, **IT IS CRITICAL** that any of your QROPS Funds must take immediate action to complete and submit this form to be received by **HMRC by 13 April 2017**. For all practical purposes, this means that the form should be completed and sent to HMRC in the first week of April to allow for possible delays in the international postal or courier systems.