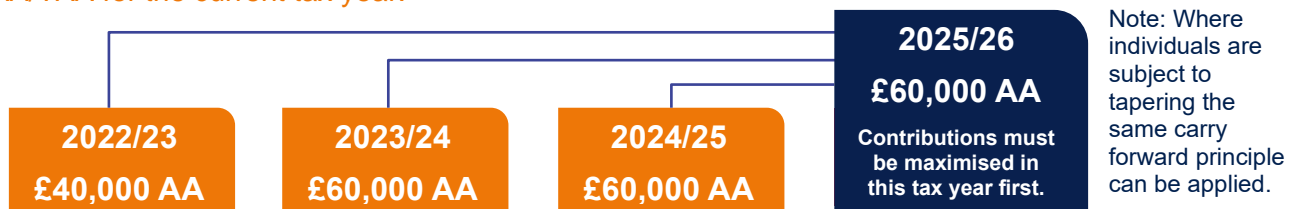


Keeping it Brief

Carry Forward

This explains how to maximise your annual allowance or tapered annual allowance if you have not done so in previous tax years. It should be read in conjunction with our 'Keeping it brief... Annual allowance' and 'Keeping it brief... Tapered annual allowance.'

The impact of the annual allowance (AA), or the tapered annual allowance (TAA), may be offset by the ability to carry forward unused AA from the last three tax years and add it to the AA/TAA for the current tax year.



Where previous years' AAs have not been fully utilised, carry forward may enable pension contributions over and above the AA or TAA to be paid without incurring a tax charge. The AA in the current tax year must be used up first before carrying forward unused allowances from previous years.

Carry forward cannot be used where an individual is subject to the Money Purchase Annual Allowance, and they want to pay more than £10,000 into their money purchase (also known as defined contribution) pension scheme. Please see our separate 'Keeping it brief... Money Purchase Annual Allowance' for further details.

Further information on carry forward can be found at: www.moneyhelper.org.uk/en/pensions-and-retirement/tax-and-pensions/carry-forward. If you think that you may be affected, you should consider taking financial advice. You should be aware that an adviser will normally charge for using their services. If this is something you would like to discuss, please contact Second Sight at enquiries@second-sight.com.

Please note: This briefing note gives an overview only. It does not provide specific advice. It is based on our understanding of tax regulations for the 2025/26 tax year which may change in the future.

A pension is a long-term investment. The fund value may fluctuate and can go down, which would have an impact on the level of pension benefits available. Pension savings are at risk of being eroded by inflation.

When investing your capital is at risk.

Second Sight is a trading name of Foster Denovo Limited, which is authorised and regulated by the Financial Conduct Authority. Registered Office: Foster Denovo Limited, Ruxley House, 2 Hamm Moor Lane, Addlestone, Surrey, KT15 2SA. T: 01932 870 720 | E: enquiries@second-sight.com | W: www.second-sight.com