

## About us

The Blacktower Group was formed in 1986 to provide independent wealth management advice and a bespoke service for both individual and corporate clients and consists of our UK company, Blacktower Financial Management Ltd and our International company, Blacktower Financial Management (International) Ltd (BFMI). BFMI lead the field in offering Independent Financial Advice to expatriates.

BFMI have been providing advice to expatriates on the transfer of pension rights from one scheme to another i.e. QROPS arrangements, since they became available in April 2006. We pride ourselves on being knowledgeable, approachable and ambassadors of the finance world.

BFMI have continued to expand their offshore operation and as well as the original offices in the Algarve and Spain, have opened offices in France, Italy and Tenerife. All these locations report to BFMI's Head Office in Gibraltar.

We want to help you achieve your financial aspirations and realise some dreams. So we're there for you at all the key moments in your life. We believe our role is to listen and understand your needs. Then we use our experience to find the right products for your circumstances, personal or business, home or abroad.

## Find out more

Call **your local office** (listed below) to arrange an informal chat or visit [www.blacktowerfm.com](http://www.blacktowerfm.com)

### Offices

#### Gibraltar

+350 200 42 353

#### Algarve

+351 289 355 685

#### Costa del Sol

+34 952 816 443

#### Costa Blanca

+34 965 058 212

#### France

+33 253 978 560

#### Italy

+39 06 4227 2245

#### Tenerife

+34 922 979 052

#### UK

+44 1372 844 344

**QNUPS** Qualifying Non-UK  
Pension Schemes

The tax-efficient  
way to *enhance*  
your retirement



[www.blacktowerfm.com](http://www.blacktowerfm.com)

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**BLACKTOWER**  
FINANCIAL MANAGEMENT GROUP

# What is a Qualifying Non-UK Pension Scheme (QNUPS)?

In essence, a Qualifying Non-UK Pension Scheme is nothing more than a definition.

This definition was introduced by Her Majesty's Revenue and Customs (HMRC) within 'The Inheritance Tax (Qualifying Non-UK Pension Schemes) Regulations 2010' to rectify a previous omission in the Finance Act 2004 (which had effect from 6 April 2006). This omission restricted protection from UK Inheritance Tax to UK registered pension schemes and section 615(3) schemes only.

- QNUPS is the definition for certain types of overseas pension scheme that meet the criteria, as outlined by HMRC in The Inheritance Tax (Qualifying Non-UK Pension Schemes) Regulations 2010, that can be exempt from UK Inheritance Tax (IHT)
- This type of scheme must be broadly equivalent to a UK registered pension scheme
- As with a UK registered pension scheme, this type of scheme can be exempt from UK IHT

QNUPS offer a number of key *benefits*, including:

- ✓ **Investment diversity.** Assets can include residential buy to let properties, and items such as art, fine wine and antiques
- ✓ **No maximum investment limit**
- ✓ **No restrictions on the type of income invested** employment income, gifts and inheritances can all be included
- ✓ **No maximum age limit for investment**
- ✓ **No reporting requirements to HMRC**
- ✓ **No obligation to draw income until age 75**
- ✓ **Up to 30% tax-free lump sum (Pension Commencement Lump Sum)**
- ✓ **Tax efficiency.** Income is paid gross and is taxed in the UK as Foreign Pension income - therefore only 90% of the gross income taxed as marginal rate in the UK.
- ✓ **Assets grow free of UK Capital Gains Tax and there is exemption from UK Inheritance Tax on death.**

Who is QNUPS suitable for:

- ✓ **Individuals** wanting to save for their retirement
- ✓ **High net worth individuals** who wish to top up their pensions tax efficiently
- ✓ Anyone concerned about restrictions on UK Lifetime or Annual allowances
- ✓ Individuals who would like to place residential 'Buy to Lets' in their retirement plan
- ✓ **Foreign nationals** with a potential UK IHT exposure
- ✓ **Expats** who retain their UK domicile status with potential UK IHT exposure

QNUPS and QROPS - what's the *difference*?

A QNUPS is a Qualifying Non-UK Pension Scheme. A QROPS is a Qualifying Recognised Overseas Pension Scheme. While a QROPS is always a QNUPS, a QNUPS will not always be a QROPS.

One of the main differences between the two is that only funds from a UK registered pension scheme can be transferred into a QROPS, whereas there are no investment restrictions on a QNUPS. Therefore non-pension assets such as residential investment property can be included. There are also no HMRC reporting rules with a QNUPS. It just has to conform to UK laws on overseas pensions. A QNUPS can be especially suitable for high net worth individuals who are approaching their UK pension provision limits.



	QNUPS	QROPS
Can I transfer my UK Pension?	X	✓
Can I make regular contributions?	✓	✓
Can I make ad hoc contributions?	✓	✓
Are there any HMRC reporting requirements?	X	✓
Is it exempt from UK Inheritance Tax?	✓	✓
Is it appropriate for permanent UK Residents?	✓	X
Can residential property/other investments be included?	✓	X