



NEWS UPDATE

IRLAND. GUIDING. GUARDING AND GROWING WEALTH IN

December 2023

This note is for information purposes only and therefore cannot be relied upon as legal advice.



UK State Pension Process



Details

- Under the old UK state pension rules, which applied for national insurance stamps until April 2016, you needed 30 qualifying years to be eligible for the full standard rate, which was £141.15 per week. Under the newer version, you need 35 years for a payment of £203.85 a week.
- You must have 10 qualifying years on your national insurance record to receive the minimum UK state pension.
- However, even if you haven't worked the required amount of time to reach the minimum 10 years, you can make voluntary contributions to increase your record, as long as you already have three years contributions.
- Having ten years on your record would entitle you to 10/35ths of the full pension, or £52.90 per week. If you have between 10 and 35 years (which qualifies you for a full pension), you will get a weekly payment which is proportional to your contribution.
- You have until 5th April 2025 to pay voluntary contributions to make up for gaps from 2006.
- After this deadline, you will only be able to pay contributions to cover the previous six years.
- Buying up to 19 years' worth of contributions would bring you closer to the 35 years required for the full state pension.
- If you have enough years left until you retire to continue making voluntary contributions, you could reach the 35-year threshold and claim the full UK state pension.
- It is important to note the Isle of Man and Jersey/Guernsey are not in the UK – they are self-governing British crown dependencies – so if you've worked on these islands, you may not be eligible.
- Remember, just because you top up your pension now, doesn't mean you should stop – you can continue paying voluntary contributions right up to the UK retirement date, currently at 66. It is due to increase to 67 between 2026 and 2028



How much will it cost?

- The cost of topping up your UK pension depends on whether you have to pay class 2 (non-resident) or class 3 (resident) contributions, with HM Revenue & Customs (HMRC) determining which category you are in.
- The cheapest option for buying national insurance contributions is class 2, which costs about £163.80 for each pension year. If you are categorised as class 3, you will have to pay £824.20 to buy each pension year.
- The two main requirements to get Class 2:

You need to show that you worked in the UK in insurable employment right until you left (so if you went to college before leaving the UK, for example, you won't be eligible);

Secondly, you need to show that you're in insurable employment abroad, in a country such as Ireland.

Checking UK State Pension forecast and paying voluntary contributions

- Complete BR19 form, which can be found here: [BR19\(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/421219/BR19.pdf)
- Send the completed copy to:
Newcastle Pension Centre
Futures Group
The Pension Service 9
Mail handling site A
Wolverhampton
WV98 1LU
United Kingdom
- We would suggest a cover letter is included requesting confirmation of the cost of paying voluntary contributions as a lump sum and paying future contributions each year going forward.

Alternatively, it is possible to call a helpline to receive this forecast by:

- Contacting the Future Pension Centre: +44 (0)191 218 3600

OR

- Apply online if you have a Government Gateway ID here:

[Check your State Pension forecast - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Once this information has been confirmed and you wish to proceed in paying voluntary contributions:

- Submit an application to HM Revenue and Customs for voluntary contributions ahead of the deadline.
- The relevant Form CF83:
[CF83 - Application to pay National Insurance contributions abroad \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- The completed form should be sent to the following address:
PT Operations North East England
HM Revenue and Customs
BX9 1AN
United Kingdom

If you wish to look for further information section noted in this application, NI38, can be found here: [Guidance on social security abroad: NI38 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)