

Your **Company** Logo

Emergency Tax / "Month 1" Report

for

**Example Client**

Created by Your Name

Your Company

## Introduction

The following report contains a Emergency Tax / "Month 1" Forecast.

Under the 2015/16 budget changes, when taking a withdrawal under pension flexibility it is likely that the withdrawal will be taxed using an emergency tax code on a "Month 1" basis. This code will not take any previous payments in the tax year into account, and uses 1/12th of the personal allowance as well as 1/12th of basic and higher rate tax bands to calculate the tax payable. The tax deducted immediately is therefore likely to be different to the correct tax payable and any overpayments can be reclaimed using a specific HMRC form.

## Overview

Forecasts included:

- £25k salary £45k pension FULL encash

Your **Company** Logo

## Forecast: £25k salary £45k pension FULL encash Assumptions

Amount withdrawn from pension:	£45,000
Is all of the withdrawal crystallised?:	No
Anticipated earnings current tax year:	£25,000

## Outputs

### Tax Charged on Month 1 Basis:

Total withdrawal: £45,000
Amount of withdrawal paid tax-free: £11,250
Taxable amount after crystallisation: £33,750

Tax Rate	Amount Taxed	Tax Payable
0%	£916.67	£0
20%	£2,666.67	£533.33
40%	£9,833.33	£3,933.33
45%	£20,333.33	£9,150.00
<b>Total:</b>	<b>£33,750.00</b>	<b>£13,616.67</b>

**Total net withdrawal: £31,383.33**

Your **Company** Logo

Estimated Correct Tax Payable on Withdrawal:

Total withdrawal: £45,000

Amount of withdrawal paid tax-free: £11,250

Taxable amount after crystallisation: £33,750

Tax Rate	Amount Taxed	Tax Payable
0%	£0.00	£0
20%	£18,000.00	£3,600.00
40%	£15,750.00	£6,300.00
45%	£0.00	£0.00
<b>Total:</b>	<b>£33,750.00</b>	<b>£9,900.00</b>

Total net withdrawal: £35,100.00