



BEAT THE BUDGET CAN YOU TOP UP YOUR PENSION BEFORE 26 NOVEMBER 2025

With the Autumn Budget now only weeks away, there is growing speculation that the Chancellor, Rachel Reeves, may look to reduce higher rate tax relief on pension contributions as part of her wider plan to rebalance the tax system. For many higher rate taxpayers, this could make the coming weeks the final opportunity to secure pension tax relief at up to 40% or 45%. Acting now could therefore be a prudent hedge against possible changes.

WHY ACTION NOW MAKES SENSE

For years, the tax advantages of making pension contributions have been a cornerstone of long-term financial planning. Each £1,000 you pay into your pension currently costs a higher rate taxpayer as little as £600, once tax relief is factored in. If the Government moves towards a flat-rate system of, say, 30% relief, this effective saving could be significantly reduced. Although there is no official confirmation of such a change, Treasury advisers and economic commentators have widely discussed the direction of travel.

CHECK YOUR AVAILABLE ALLOWANCE

By reviewing your current pension position now, you can determine whether there is scope to make an additional contribution before the Budget announcements. The annual allowance currently stands at £60,000, and unused allowances from the previous three tax years may be carried forward if you had pensionable income in those years. The key is to confirm how much headroom you have available and to ensure any payment is made before the Chancellor takes to the despatch box.

HOW WE CAN ASSIST

We can help you work out how much you could contribute within the tax rules and whether your business can make an employer contribution on your behalf. Once we have confirmed the available allowance, you should contact your pension provider or financial adviser promptly to arrange the actual transfer of funds. Processing times can vary, and delays could mean missing the window to benefit from current tax rates.

A SOUND STEP FOR FUTURE SECURITY

Even if the Budget ultimately leaves pension tax relief untouched, making an early contribution still enhances your retirement savings and may help smooth your income position for the current tax year. In short, there is little downside in acting now, but potentially significant savings if the rules change.

If you would like us to calculate your available contribution limits before the November Budget, please get in touch as soon as possible. We can confirm your position and help you take timely action.

If you feel this alert could help a business colleague or family member, please feel free to share it with them.