



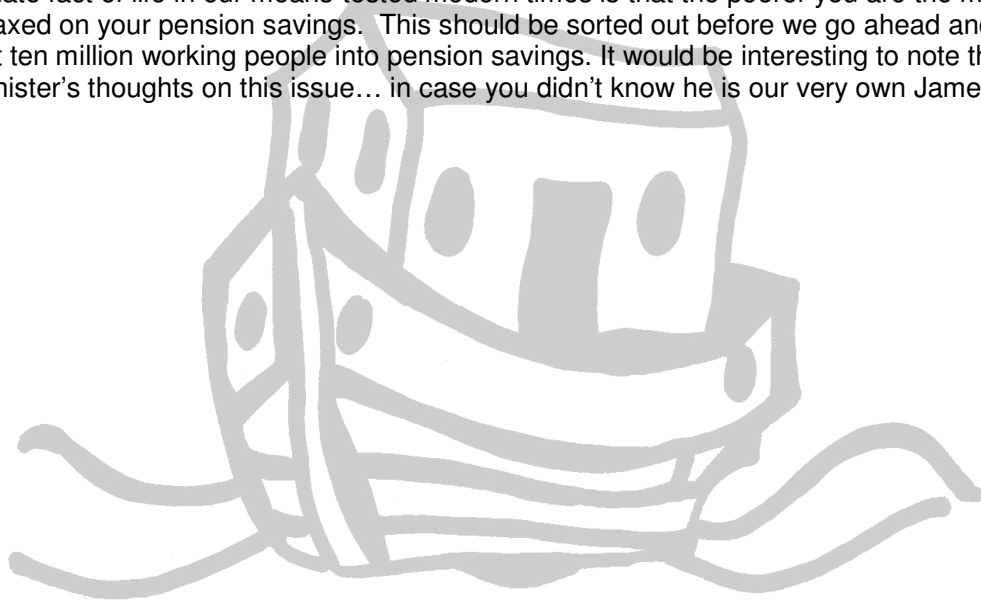
Tax on the Poorest Pensioners.

It's now pretty clear that the Government's decision to double the ten pence tax rate has produced substantial political fallout. It was quite rightly seen as increasing the tax burden on the poor.

If the Government has been worried by Joe Average's reaction to the ten pence tax issue. Goodness only knows what the fallout will be like when the public wake up to the fact that auto-enrolled savings in personal pension accounts (as proposed from 2012) may be subject to a poor-tax of between 40% and 100% of the value of their pension savings.

The unfortunate fact of life in our means-tested modern times is that the poorer you are the more you're likely to be taxed on your pension savings. This should be sorted out before we go ahead and auto-enroll almost ten million working people into pension savings. It would be interesting to note the current pensions minister's thoughts on this issue... in case you didn't know he is our very own James Parnell.

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