



PRESS RELEASE

ACA offers assistance to HMRC on Pensions IHT measures

23 July 2025: Association of Consulting Actuaries (ACA) has responded to this week's [HMRC announcement](#) on *Inheritance Tax on pensions: liability, reporting and payment*.

ACA Pensions Tax Committee Chair, Kirsty Cotton comments: *"The ACA are pleased that HMRC listened to the feedback that the initial proposals for pension schemes to be responsible for paying inheritance tax in respect of unused pension funds and death benefits were unworkable. The revised proposals still have some impact on pension schemes, with additional disclosure requirements and a new duty to pay Inheritance Tax (IHT) directly to HMRC at a beneficiary's request where certain conditions are met. However, overall pension schemes will welcome the new approach.*

"The ACA also welcomes the [change to the initial proposals](#) which will exempt more lump sum death in service benefits from IHT.

"The responsibility for reporting and paying IHT now falls on personal representatives, who will be in the unenviable position of being responsible for paying IHT on assets they don't control. HMRC rejected [our suggestion of a totally separate tax on pension assets](#) on the grounds that it did not meet the policy objective of bringing these death benefits into scope of IHT.

"However, we look forward to working with HMRC over the coming months to refine and develop the process in advance of the legislation coming into force for deaths on or after 6 April 2027."

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About the Association of Consulting Actuaries (ACA)

Members of the ACA provide advice to thousands of pension schemes, including most of the country's largest schemes. Members of the Association are all qualified actuaries and all actuarial advice given is subject to the Actuaries' Code. Advice given to clients is independent and impartial. ACA members include the scheme actuaries to schemes covering the majority of members of private sector defined benefit pension schemes. The ACA is the representative body for UK consulting actuaries, whilst the Institute and Faculty of Actuaries is the professional body.

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