Income Analysis - Phased Drawdown

Last Modified on 30/09/2024 10:43 am BST

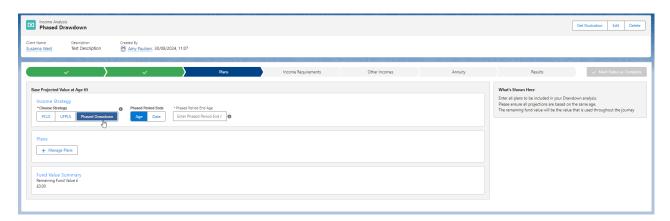
This article is a continuation of Income Analysis - Charges

The system allows you to choose between three income strategies, PCLS, UFPLS or Phased Drawdown. If you select PCLS the system will take out the percentage of PCLS specified and remove it from the income calculations.

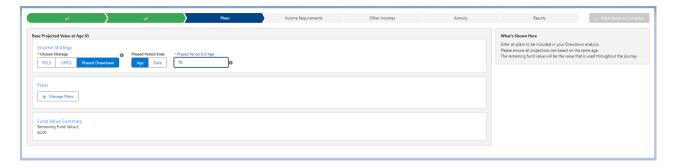
UFPLS will keep the total plan values invested in the drawdown plan, when income is taken from the drawdown plan 25% of the income withdrawn will be tax free, this will be taken into account when calculating the tax liability.

Phased drawdown allows you to specify the phased period end age, and choose either PCLS or UFPLS for the phased period and remaining term.

Create Phased Drawdown research by clicking the **Phased Drawdown** Income Strategy

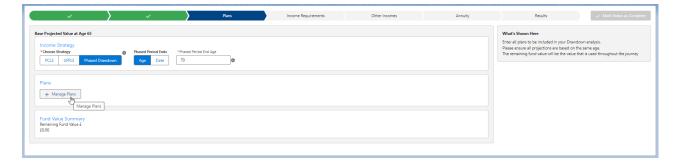


Enter the Age/Date and the Phased Period End Age

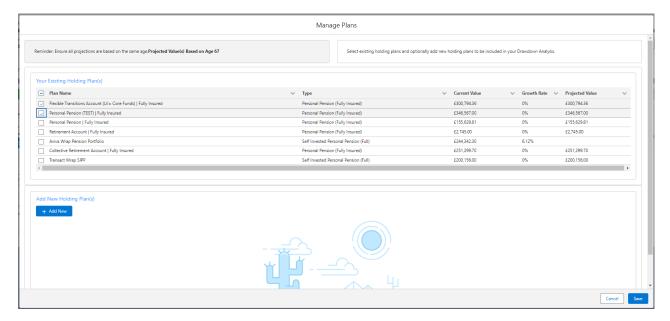


Manage Plans

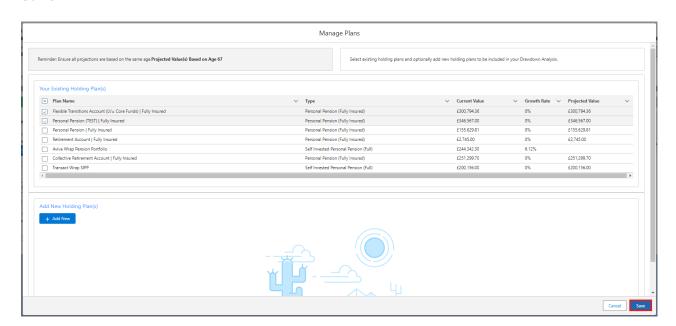
Pull holdings through from the contact record using the **Manage Plans** button:



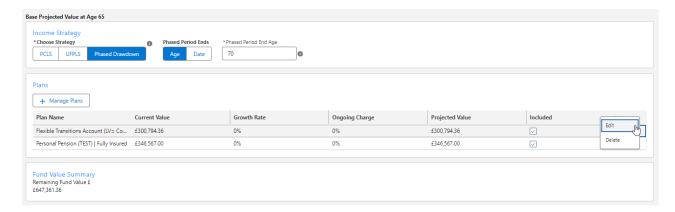
Either select one or more existing plans, or Add New Holding Plan(s)



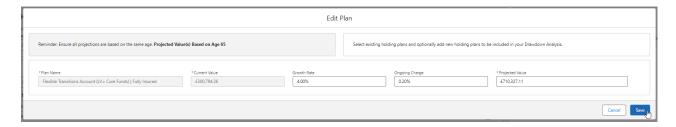
Save



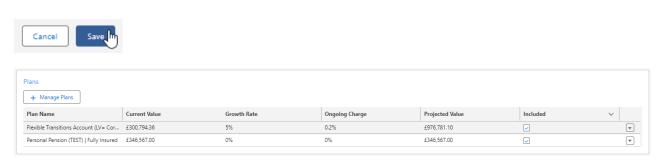
Add additional details, through the Edit button:



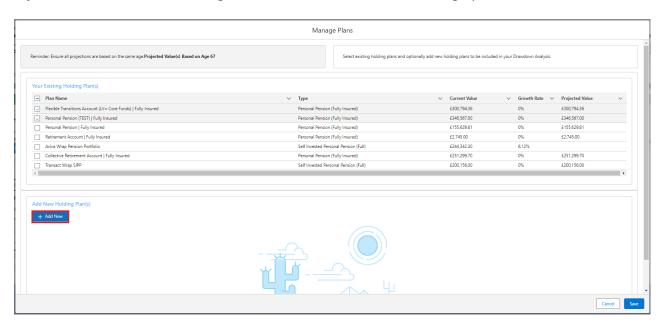
Complete the growth rate and ongoing charge field and the Projected value will automatically calculate.



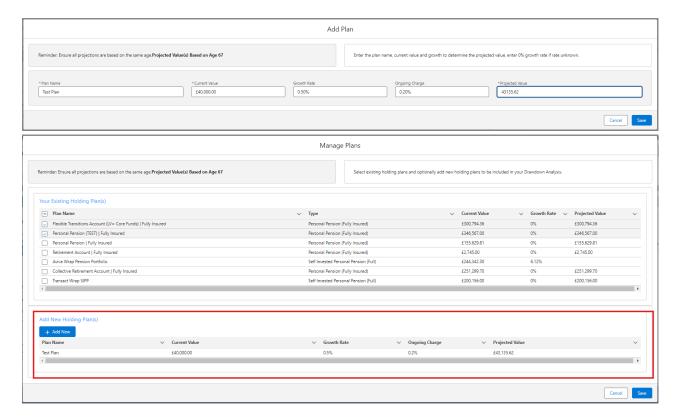
Save



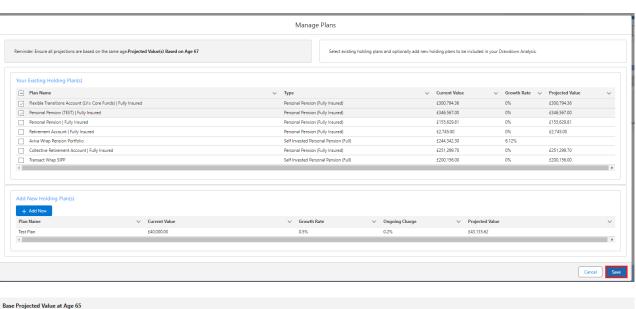
If you need to add a new holding, click + Add New within the Manage plans area:

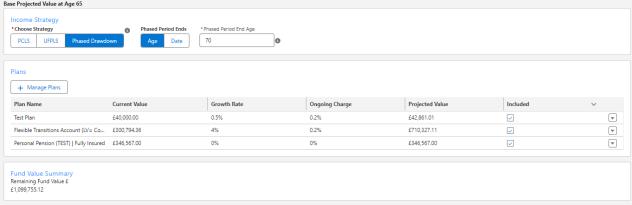


Complete details and Save:

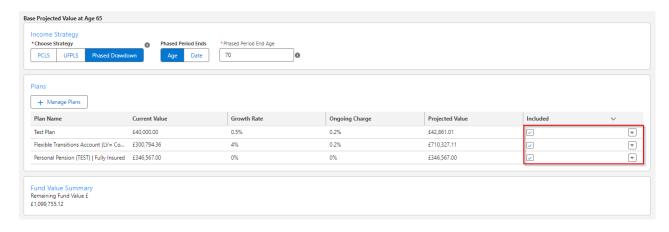


Save





Ensure the plans you would like to see in the results are included:



You can add as many plans as you would like to take into the drawdown scenario. The projected total value of all plans is calculated. If you have chosen a PCLS income strategy then you can specify how much PCLS out of the total you would like to remove. The system defaults to the 25% tax-free amount. However, this can be overwritten up or down to suit your clients' needs.

The remaining fund value will be the figure used for the drawdown plan 'initial investment' when calculating if your income profile is achievable for the duration specified.

For further information on Income Analysis research, see article Income Analysis - Income Requirements