



Pensions deadline for associates with limited companies

The new Guidance issued by NHS Pensions has clarified that associate/performers who operate as a limited company cannot belong to the National Health Service Pension Scheme (NHSPS) and has set a deadline for disincorporation.

NASDAL broke the news in March that associates who incorporated would not be entitled to an NHS pension. Now this has been formally announced in guidance due to be enshrined in legislation early next month.

A deadline of the 7th of November has been set and from that date onwards, subject to parliamentary approval, associates in limited companies will forfeit their pension entitlement.

As long as the associate ceases to use the limited company by November 7th, they will be allowed to remain in the NHSPS and retain in full any pension that accrued to them between April 2006 and November 2011.

According to Alan Suggett, media spokesman for NASDAL, the new guidance brings an unexpected result. The guidance states that the associate's net pensionable earnings of unincorporated associates is the amount paid by the principal to the associate, minus lab bills.

In cases where the associate is getting 50% of the contract, their pension entitlement will be higher than the principal's who will receive the standard 43.9% of the total value of the contract.

Note to editors

[1http://www.nhsbsa.nhs.uk/Pensions/Documents/Pensions/GDP_Pensions_Guide_\(V1\)_09.2011.pdf](http://www.nhsbsa.nhs.uk/Pensions/Documents/Pensions/GDP_Pensions_Guide_(V1)_09.2011.pdf)

This is one of three releases relating to the new Pensions guidance for dentists. The second release relates to associates and the potential losses incurred as a result of poor form-filling and the third release relates to incorporation and how it affects the pension of NHS principals.

For more information or to obtain photos or the logo of NASDAL, please contact

Caroline Holland on 020 8679 9595/07974 731396 or email
caroline@carolineholland.eu