

HOW TO USE A SSAS TO SAVE CORPORATION TAX AND PROVIDE A FIXED RETURN ON INVESTMENT						
Example	Co 1-No SSAS in place	Co 2-SSAS in place	Co Position	Pension Pot	Notes	
Profit subject to corporation tax	£50,000		£50,000			
SSAS Contribution	0		-£50,000		1	
Corporation tax @19%	-£9,500		Nil			
Loan back to Company-50%			£25,000	£25,000	2	
Interest charged on Loan for 5 years @ 12%				£15,000	3	
Corporation Tax saved on interest @ 19%			£2,850		3	
Loan repayments invested in equities earning 5% pa				£5,500.00	4	
				£45,500		
Notes						
1	Company 2 moves £50k from it's Limited Company Bank Account into it's pension bank account					
2	The Pension Fund lends 50% of the £50k back to the Company over 5 years at 12%					
3	The interest charged is allowable against the Company's corporation tax over the 5 years					
4	This is an estimate of the growth from investing the loan repayments in an equity fund over 5 years and earning 5% pa					